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ABSTRACT

Designed for use with the level 1 curriculum guide (Entrepreneurship Education: Learning the Skills), this level 2 (volume 2) guide focuses on planning and completing student projects. The first of three major sections is designed to familiarize students with how projects are completed. The second section, Resources for Planning and Completing Projects, contains a number of aids to help students begin projects. Suggested project activities, issues for investigation, and pre-designed projects are included in the following areas: deciding on a product or market, selecting a location, obtaining initial capital, choosing a legal form of organization, recordkeeping, credit and collection, advertising and sales promotion, employee and community relations, and insurance. Developing and maintaining community resources is described in the final section. (Appended material includes a resource person introductory letter, resource person recruitment form, and a community resource person's guide.) (LRA)

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Entrepreneurship Education

Applying the Skills

U.S. DEPARTMENT OF HEALTH,
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**Entrepreneurship Education:
Applying the Skills.** Springfield,
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planning and completing
projects which provide students
with opportunities to apply
entrepreneurial skills in
business situations.

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Foreword

The Illinois State Board of Education is pleased to make available the three-volume resource of curriculum materials: Entrepreneurship Education. In addressing self employment as a career option, these innovative materials indicate one important direction for vocational and technical education in the eighties. Education for self employment has many implications. It increases career options and can enhance job satisfaction for those who create their own careers. As more individuals assume responsibility for job creation, the number of people looking to the labor market for jobs diminishes. The number of jobs should also increase as new enterprises are initiated.

The first volume: ENTREPRENEURSHIP EDUCATION: LEARNING THE SKILLS stresses the personal skills which people need to be effective entrepreneurs - skills such as decision making, innovation, planning and goal setting, and risk taking. These skills have a wide application to many aspects of life. The materials may consequently be used in a variety of settings at the late secondary and adult levels: career exploration, cooperative, career change, business, and correctional to name but a few.

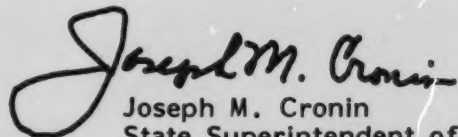
The second volume: ENTREPRENEURSHIP EDUCATION: APPLYING THE SKILLS addresses the application of the skills to self employment.

The third volume: ENTREPRENEURSHIP EDUCATION: SUPPLEMENTARY READINGS includes readings and suggested additional resources which complement the instructional strategies contained in the first two volumes.

Special recognition is given to the project staff who worked on the conceptualization and development of the materials. Sincere appreciation is extended to the community college personnel who provided invaluable input at the developmental and field test stages:

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Joseph M. Cronin
State Superintendent of
Education

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Introduction

The focus of LEVEL II of the materials is on planning and completing student projects. A project is a group of related activities designed by a student to practice and observe entrepreneurial skills and to investigate issues or matters of interest. Projects are intended to enable students to become actively involved in integrating the skills needed for self-employment and in applying them to their specific areas of interest.

An important aspect of the projects is that they are community oriented. They are implemented with the help of business people who agree to meet with students on a one-to-one basis. The last section of this volume contains instructions for recruiting community resource persons. The instructor should begin recruitment immediately at the beginning of the course. This will ensure that students have a variety of sites from which to choose when they work on their projects.

Project work should begin about one month after the beginning of the course. At this point the format of the class sessions changes to allow time for discussion and presentation of projects. Instead of using the entire time in class for the LEVEL I class activities and follow-up discussions, approximately half of the class time is spent discussing individual student projects.

Projects are intended to give students opportunities to (1) practice and observe entrepreneurial skills in the community, and (2) collect information related to various aspects of starting a business. Classroom discussion centers around student experiences in project work. The projects also give students a basis for self-evaluation and the instructor a basis for student evaluation.

Projects may be planned initially in the following management skill areas related to starting and operating a business:

Deciding on a product and market
 Selecting a location
 Obtaining initial capital
 Choosing a legal form of organization
 Recordkeeping
 Credit and collection
 Advertising and sales promotion
 Employee and community relations
 Insurance

Six management skill areas are introduced in the LEVEL I class sessions. Depending on the time available and student interest, the remaining three areas may be introduced at the discretion of the instructor. Appropriate readings related to the management skill areas are suggested in the volume ENTREPRENEURSHIP EDUCATION: SUPPLEMENTARY READINGS. As students become acquainted with project planning, the instructor should help students to develop projects which reflect their interests and needs. This can be done on a small group or one-to-one basis.

The process of planning and completing projects is designed to:

- provide opportunities for students to practice and observe entrepreneurial skills
- help students to collect information on owning and operating a business
- help students develop realistic attitudes toward business ownership through the use of community resources
- give students opportunities to integrate the entrepreneurial, industry and management skills they are developing. Projects should be viewed, by both instructor and students, as means of integrating these self-employment skills.

Generally, each project should be completed in about two weeks. Some students may wish to do larger projects of longer duration rather

than several short ones. It is strongly recommended, however, that students be encouraged to do four two-week projects. The greater number of smaller projects will increase students' opportunities to meet with a greater variety of resource persons.

INTRODUCING THE PROJECTS

The Session: Orientation to Planning and Completing Projects is designed to familiarize students with how projects are completed. Project work should begin about one month after the course begins. By that time, the sessions in the first two units in the volume ENTREPRENEURSHIP EDUCATION: LEARNING THE SKILLS should be completed in class. Students will have had the opportunity to assimilate skills needed for self employment as an integration of entrepreneurial, industry and management skills. By planning and completing projects students will be actively applying their learning to their specific areas of interest.

RESOURCES FOR STUDENTS

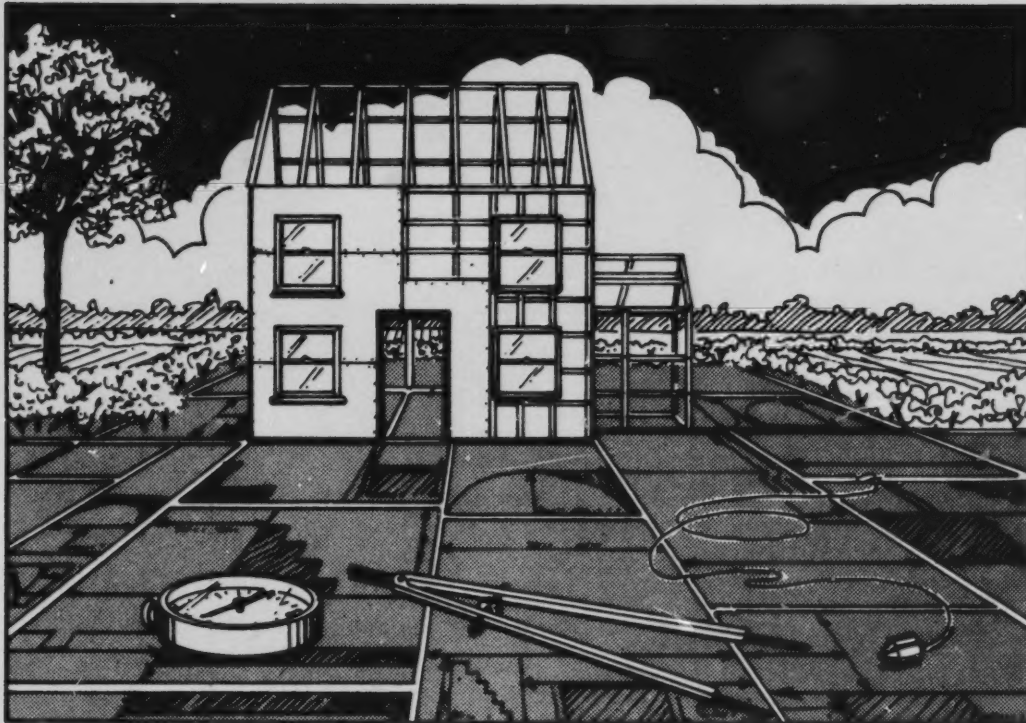
Students are encouraged to use a variety of resources when planning and completing their projects. The section Resources for Planning and Completing Projects contains a number of aids to help them get started. Suggested project activities, issues for investigation and pre-designed projects are included.

The volume SUPPLEMENTARY READINGS contains two types of references which students may also use when planning and completing projects. First, selected chapters from seven small business management textbooks are suggested for each project area. Second, selected Small Business Administration (SBA) pamphlets are listed according to the project areas. These pamphlets may be obtained at no charge from your local SBA office or by calling toll-free 800-433-7212.

COMMUNITY RESOURCE PERSONS

Community resource persons are the most important resources available to students. Personal contact between student and business person is an essential element of projects. Developing and maintaining community resources is fully described in the final section of this volume.

Session: Orientation to Planning and Completing Projects



Objective:

Students will gain an understanding of projects--what they are, what are their purposes and how to plan and complete them.

Why Do This?

The main focus of Level Two of the entrepreneurship education course is the application of entrepreneurial skills. Students will complete four mini-projects which provide them with opportunities to apply the entrepreneurial skills

to business situations. In this session, students are introduced to the purposes of projects and methods they will use to plan and complete them.

Materials:

Handout #1 - Blank Student Project Plan

Handout #2 - Model Student Project Plan

Project Ideas (for reference only; not for distribution)

Pre-designed Projects (for reference only; not for distribution)

Out-of-Class Assignment Sheet

Class Activity:

1. Use the "Planning and Completing Projects" section of the Handout - Entrepreneurship as a basis for a presentation on planning and completing projects. Emphasize the following:

- Students are given primary responsibility for determining what they wish to learn in their projects. How a project is designed and carried out is up to each individual student.
- Students will complete four mini-projects, each of which takes 2-3 weeks. While projects may be carried out in any of nine project areas as listed in the Handout - Entrepreneurship, they should be primarily designed around students' interests related to starting and operating businesses.

- Projects give students opportunities to:

- practice entrepreneurial skills
- observe entrepreneurial skills used by self-employed people
- collect information related to various aspects of starting a business
- provide a basis for discussion during class sessions
- provide a basis for self-evaluation and evaluation by the instructor

- The principal features of projects are that:

- student learning is based on their own interests
- students will have opportunities to discuss their projects with business people in the community
- the principal purpose of the projects is to apply and observe entrepreneurial skills.

2. Explain that:

- Initially projects will be planned by the students in consultation with instructor

- For the second, third and fourth projects, students will rely progressively more on themselves
 - Project planning aids, such as Pre-designed Projects and Project Ideas, are available for reference as aids to students in planning and completing projects. Display these to the class. The Pre-designed Projects may serve as models for students in designing their own projects. The Project Ideas suggest themes and activities acceptable for projects.
3. Distribute copies of Handout #1 - Blank Student Project Plan to the class. Explain that:
- this is the principal project planning aid
 - depending on the nature of each project, it may have to be supplemented with additional blank pages
 - when the project is completed, it is generally supplemented with additions, such as short reports, tables, samples, etc.
 - the Student Project Plan consists basically of four sheets:
 - Cover Sheet (page 1)

- "Issue" Sheets (three, pages 2, 3, 4)
- "Plan Your Visit to Resource Person" Sheets (two, pages 5 & 6)
- "Self-Evaluation on Completion of Project" Sheet (page 7)

4. Distribute copies of Handout #2 - Model Student Project Plan to students and use this as a basis for a "walkthrough" of project planning and completion.

- The model project was completed by Jean Somers, a student who has a background in communications and a desire to start a business in promoting seminars.

5. Explain the use of the COVER SHEET: Jean completed Section I of the Cover Sheet at the beginning of the planning stage. She completed Section II when the project was completed.

- Project Title or Theme: For her project, Jean selected advertising and sales promotion as a project topic area. An effective advertising plan is especially critical to the success of a business such as seminar promotion. She was especially interested in the use of direct mail as a method of

advertising. This appeared to be a popular method of advertising with other firms in the semiar promotion business

- Issues: Once Jean decided on her project theme, her next task was to narrow down the area of direct mail advertising to a number of specific issues which she could handle in the allotted time. The work entailed in investigating each issue should not be too involved, as students will have to complete four projects, or approximately twelve issues, in approximately two months. The issues which Jean selected were:

- (1) What types of direct-mail advertising could I use for advertising my seminars?
- (2) What services are available to assist in launching a direct-mail campaign?
- (3) How much does direct-mail advertising cost?

- Jean is aware that, at this early stage of planning, the issues are flexible; the issues may be modified as she follows through on her plans, speaking with resource people and reading materials related to the project. How-

ever, it is important that issues are specified, because they provide direction for planning activities, identifying readings and selecting other resources.

- Time Element: In deciding on starting and completion dates, Jean has allowed herself three weeks to complete her project. She has already begun to put some of the entrepreneurial skills into action, planning and setting goals. Completing her project on time will help her develop inner control.

6. Explain the use of the ISSUE SHEET: The next stage in planning is to transfer each of the three issues to separate Issue Sheets. In this way, Jean was able to concentrate on one issue at a time, and thus plan more effectively. Refer the class to pages 2, 3 and 4 of the Model Student Project Plan. Jean has transferred each issue on the Cover Sheet to a separate Issue Sheet. Go through page 2 with students:

- Activities: Activities planned by Jean to investigate the first issue are:
 - Readings
 - Collecting samples of direct mail pieces

- Talking with people in the business of creating and marketing direct mail pieces

- Resource People: Jean has selected two resource people with whom to discuss the first issue. Suitable resource people are usually identified in consultation with the instructor, who has developed a list of people in the community who have volunteered to talk with students about their projects (see Development of Community Resources). Students themselves can be an important source; they may have contact with experts in their field of interest. In the present example, Jean made contact with the second resource person as she discussed her project with the first resource person. She used human relations ability effectively in creating a good relationship with John Jackson. He not only gave her excellent advice, but also provided her with the names of additional resource people. Resource people will be discussed further when describing the "Plan Your Visit to Resource Person" Sheet.
- Other Resources and Readings: Jean has listed in detail the readings she

has identified as relevant to the issue being investigated. These readings may be identified in a number of ways--through the instructor, Small Business Administration materials, college and local libraries, experts in the field and resource persons. The list may be modified as the project progresses.

- Presentation of Findings: Findings are presented to the class on completion of each project. Presentations are usually made verbally, but should be supported by tables, samples and/or short written reports. It is important that items are produced which will be of value to students in planning their businesses. They should not be produced merely for class presentation purposes. In this example, Jean plans to have some sample pieces of direct mail which will be suitable for her business, and a written summary of the reasons for her selection.
- Entrepreneurial Skills to be Emphasized: In planning her investigation of this issue, Jean has decided to emphasize the skills of decision making and reality perception and has checked them accordingly. She has also indicated specifically how the skills will be

used. She will use decision making in selecting the pieces of direct mail most appropriate for her seminar business. She will also check her own perceptions of the most suitable types of direct mail with the opinions of the resource persons who are expert in the field.

- Emphasize to students that this is the central focus of the projects-- the application of entrepreneurial skills. In the process of planning and completing projects, students will acquire information and knowledge which will be of value to them for starting their businesses. However, learning and developing entrepreneurial skills are the main objectives of the course.
- It has been emphasized throughout the course that entrepreneurship is an integration of the eight skills listed. In any particular instance, a number of the skills are likely to be used simultaneously. However, in investigating issues, visiting resource people, and planning and completing projects, students are asked to select and emphasize the use of one or two skills at a time. This approach will help them to

focus on applying the skills they have learned and integrate them into their behavior.

7. Explain the use of the sheet PLAN YOUR VISIT TO RESOURCE PERSON. It is recommended that two or three resource persons should be visited for each project. Obtaining the opinions of a number of people will help students to obtain more accurate information and clarify their perceptions. This procedure also insures that students have the opportunity to meet a number of self-employed and other business people in their place of work.

- Visits to resource persons can be made more effective by advance planning. The sheet "Pre-Plan Your Visit to Resource Person" helps to structure these visits in advance. Normally, one sheet is completed for each visit. However, one sheet may suffice for two or more resource persons if the same issues are being investigated and similar questions are asked of these resource persons.
- On page six of the example, Jean has listed two resource persons. She plans to investigate two issues with both of these people and ask them similar questions. As her plans pro-

gress, she will phone them in advance and note dates and times of her appointments.

- Jean has also listed a series of questions relating to the issues which she plans to ask the resource persons. She will need answers to these questions to investigate the issues. However, she will not allow her interview to become too structured so that it becomes a question and answer session. Students are likely to gain additional insights if the resource persons relate personal experiences as business owners.
- The "Plan Your Visit to Resource Person" Sheet may be used as a guideline when interviewing the resource persons. The "Comments" portion may be used as a memorandum to jot down some notes which can later be developed into a more complete report. The "Overall Comments, After Interview" section should be filled in as soon as possible after each interview.

8. COMPLETION OF PROJECT: When all issues have been investigated and all interviews completed, it will be necessary to present findings in some way. This presentation should be in a form which is useful

to the student. Written reports, charts, samples, etc., may be appropriate at different times. While the information students obtain is likely to be highly interesting, the application of the entrepreneurial skills should be emphasized. In order to keep projects manageable, the quantity of information or materials obtained is not stressed. The reason for doing four small projects rather than one large one is to give students more opportunities to apply entrepreneurial skills and to meet a variety of self-employed people.

- Presenting findings in class is part of the project. It also gives students opportunities to apply entrepreneurial skills. Decisions will have to be made regarding methods of presentation; risk taking may be involved as students present their findings and opinions; students have opportunities to use feedback and use the input of other class members to improve their subsequent projects. Emphasize that all aspects of the projects, from initial planning of the project, through visits to resource persons to class presentations provide opportunities to apply entrepreneurial skills.

9. SELF EVALUATION ON COMPLETION OF PROJECT: Self evaluation is an essential component of the learning process. On completion of each project, students are asked to evaluate themselves on their use and observation of entrepreneurial skills. This evaluation is recorded on page seven of the Sample Project and should be completed before handing in the completed project for evaluation by the instructor.

10. Allow some time for students to look at some Pre-designed Projects and at the Project Ideas.

11. Remind students that each student will complete four mini-projects, and each should not take more than two or three weeks to complete. Student evaluation will be based, in part, on the completion of these projects.

**Discussion Guide
for Out-of-Class
Activity:**

(for use at the beginning of the next class)

1. Discuss the planning of the first project.



Use the following questions to help students examine the projects they are planning.

- What themes were selected? Are the themes narrow enough to be managed in two or three weeks? If not, how can they be narrowed down?

- What kinds of issues were selected? Are the issues written in the form of questions? If not, how can they be made into questions? Do the issues suggest activities?

What kinds of activities were planned? Are different kinds of activities planned by each student? What resources (people, written sources) will be used?

- How will findings be presented? Will they be presented in a manner which will be useful to the student? If not, how could they be presented in a more useful way?
- What will be gained by doing the project?

2.  Remind students that one of the main purposes for doing projects is to help them develop entrepreneurial skills. While this can be a difficult part of planning the project, specifying the entrepreneurial skills to be emphasized is essential. After students have completed one or two projects, this will become easier. Suggest the following guidelines for deciding on how skills will be used.

- Issues and activities may sometimes need to be modified to include oppor-

tunities for practicing entrepreneurial skills. Suppose, for example, a student was developing a written plan for a grand opening as part of a project on advertising. In order to practice the skill of "using feedback" the student could include, as part of the project, presenting the plan to a knowledgeable business owner or advertising agent for critique.

- Entrepreneurial skills are to be practiced while the project is being completed and presented in class. A statement of how the skills would be used in a business situation is not sufficient.
- Emphasis is on action rather than on information. Although the information acquired is likely to be highly interesting and practical, attention needs to be given to acting on the skills.

3. Divide the class into small groups of about  three students each. In the small groups have students help each other decide which skills will be emphasized with each issue and how they will be applied.

handout #1Page 1 of 7STUDENT PROJECT PLAN

(Cover Sheet)

Section 1: To be completed at the planning stage.

Student's Name:

Project Title or Theme:

What issues do you wish to investigate? (Put in question form.)

- 1.
- 2.
- 3.

Time Element. Starting Date:

Planned Completion Date:

Section 2: To be completed at the end of the project.

Summary of Completed Project

How many entrepreneurial skills did you apply?

How many resource persons did you work with?

What other types of resources did you use?

Planned time for completion of project:

Actual time taken to complete project:

What have you gained from completing this project?



Page 2 of 7

Issue:

Target date for completing activities:

What activities have you planned to address this issue?

Identify resource people who will be of help.

Name(s):

Identify other resources and readings.
(Give titles, authors and subject matter.)

Describe how you will present your findings.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making		
Human Relations		
Planning & Goal Setting		
Reality Perception		
Using Feedback		
Risk Taking		



Page 3 of 7

Issue:

Target date for completing activities:

What activities have you planned to address this issue?

Identify resource people who will be of help.

Name(s):

Identify other resources and readings.
(Give titles, authors and subject matter.)

Describe how you will present your findings.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making		
Human Relations		
Planning & Goal Setting		
Reality Perception		
Using Feedback		
Risk Taking		



Target date for completing activities:

What activities have you planned to address this issue?

Identify resource people who will be of help.

Name(s):

Identify other resources and readings.
(Give titles, authors and subject matter.)

Describe how you will present your findings.

Which entrepreneurial skills will you emphasize?

Skill

Check below

How will it be used?

Inner Control

Innovation

Decision Making

Human Relations

Planning & Goal Setting

Reality Perception

Using Feedback

Risk Taking

Page 5 of 7PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name:

Address:

Phone:

Appointment:
(Date/Time)

Issue(s) to be investigated:

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:

Comments:

(List entrepreneurial skills to be applied. Keep these in mind.)

Overall Comments, after interview:



Page 6 of 7PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name:

Address:

Phone:

Appointment:
(Date/Time)

Issue(s) to be investigated:

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:

Comments:

(List entrepreneurial skills to be applied. Keep these in mind.)

Overall Comments, after interview:

Page 7 of 7SELF EVALUATION ON COMPLETION OF PROJECT

Project Title or Theme:

What entrepreneurial skills did you apply?

How well do you feel you applied these skills? Explain.

What did you learn that would help you apply these skills to your greater satisfaction?

What entrepreneurial skills did you observe being used?

What have you learned that will help you fulfill your career goals?



handout #2Page 1 of 8STUDENT PROJECT PLAN

(Cover Sheet)

Section 1: To be completed at the planning stage.

Student's Name: *Jean Somers*Project Title or Theme: *Advertising / Direct Mail*

What issues do you wish to investigate? (Put in question form.)

1. *What kinds of direct mail advertising could I use for advertising my seminars?*
2. *What services are available to assist in launching a direct-mail campaign?*
3. *How much does direct mailing cost?*

Time Element. Starting Date: *3-5-79* Planned Completion Date: *3-26-79*

Section 2: To be completed at the end of the project.

Summary of Completed ProjectHow many entrepreneurial skills did you apply? *six*How many resource persons did you work with? *five*What other types of resources did you use? *written materials and telephone contacts.*Planned time for completion of project: *three weeks*Actual time taken to complete project: *three weeks*What have you gained from completing this project? *I have gained some confidence as well as a lot of helpful information. This helps me to plan my approach.*

Page 2 of 8

Issue: *What kinds of direct mail advertising could I use for advertising my seminars?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *Collect samples of direct mail pieces.*
2. *Readings*
3. *Talk to people knowledgeable in creating and marketing direct mail.*

Identify resource people who will be of help.

Name(s):

John Jackson

Danna Marks

Identify other resources and readings.

(Give titles, authors and subject matter.)

Selecting Advertising Media: A Guide for Small Business

Describe how you will present your findings.

1. *Samples of different kinds of ~~mail~~ direct mail pieces.*
2. *Verbal report to class on which kinds I would select and why.*

Which entrepreneurial skills will you emphasize?

Skill

Check below

How will it be used?

Inner Control

Innovation

Decision Making

Human Relations

Planning & Goal
Setting

Reality Perception

Using Feedback

Risk Taking

✓ *selecting from a number of alternatives the type of direct mail most suitable for the seminar business*

✓ *By interviewing people knowledgeable in the field and comparing their responses to the information I get from written sources.*



Page 3 of 8

Issue: *What services are available to assist in launching a direct mail campaign?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *Ask people who have used direct mail what services they have used.*
2. *Contact one service suggested in activity #1 to find out more about it.*

Identify resource people who will be of help.

Name(s):

*Susan Poe
Leonard Jordan
Donna Marks*

Identify other resources and readings.

(Give titles, authors and subject matter.)

Planning and Creating Direct Mail

Describe how you will present your findings.

Summary of services available

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control	✓	<i>By checking with people who have had experience, I benefit from their experience, increasing my inner control</i>
Innovation		
Decision Making		
Human Relations	✓	<i>I may be asking my future competitors for advice. I want to keep their goodwill and get the information I need.</i>
Planning & Goal Setting		
Reality Perception		
Using Feedback		
Risk Taking		

Issue: *How much does direct mail advertising cost?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *Contact businesses which could be used in conducting my campaign.*
2. *Develop a first-year advertising budget for launching the business.*

Identify resource people who will be of help.

Name(s):

Quick Typing Service
Post Office

The Printing Service
Legal Press

Tren's Office Supply

Identify other resources and readings.

(Give titles, authors and subject matter.)

Chapter in: *Planning and Creating Better Direct Mail*
"Direct Mail Costs: A Perspective"

Describe how you will present your findings.

Itemized budget for what it would cost to have everything done for me.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making		
Human Relations		
Planning & Goal Setting	✓	<i>First-year budget helps me to plan what kind of financial backing will be needed. It also helps me decide in advance what would be more economical to do for myself.</i>
Reality Perception		
Using Feedback	✓	<i>By checking on costs I can get a good idea of the feasibility of my business.</i>
Risk Taking		



PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name:	Address:	Phone:	Appointment:
<u>John Jackson</u>	<u>1212 W. Oak</u>		(Date/Time)
<u>Professor of</u>		<u>469-3201</u>	<u>Mar 14, 1:30p</u>
<u>Business and Technical Writing</u>			

Issue(s) to be investigated:

What kinds of direct mail advertising could I use?

How much does direct mail advertising cost?

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:	Comments:
1. For the type of seminar I wish to give, what kinds of direct mail advertising could be used? Do you have a preference?	<u>Brochures and letters.</u> <u>prefers letters</u>
2. If you were I, how would you go about launching a direct mail campaign?	<u>Suggested mailing list</u> <u>broker - See Donna Marks</u>
3. What expenses are involved?	
4. Can you recommend some good reading on the subject?	<u>"Planning and Creating</u> <u>Better Direct Mail"</u>
5. What resources are available to help me get started?	

(List entrepreneurial skills to be applied. Keep these in mind.)

planning and goal setting

Reality perception

Overall comments, after interview: This was a good place to start. I got
information which helps me to structure my other activities for this
project. Donna marks will be an additional resource person. Got good
suggestions for reading materials.

PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name:	Address:	Phone:	Appointment: (Date/Time)
<u>Susan Poe</u>	<u>206 E. Vine</u>	<u>293-5529</u>	<u>MAR. 17, 2:30</u>
<u>Leonard Gordon</u>	<u>2943 Washington</u>	<u>439-2843</u>	<u>MAR 18, 10:15</u>

Issue(s) to be investigated:

what services are available in launching direct mail campaign?

What kinds of direct-mail advertising could I use?

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:	Comments:
1. <i>What kinds of direct mail advertising have you used? What do you prefer?</i>	<i>Brochures and letters - both have good and bad points.</i>
2. <i>What services have you used?</i>	<i>Quick Typing Service for automatic typing of letters</i>
3. <i>What are the advantages and disadvantages of the way you handled your direct-mail advertising?</i>	<i>Doing it yourself is cheaper but takes much time</i>
4. <i>What advice can you give me to help me avoid mistakes?</i>	<i>Know that you are doing - can't afford a flop!</i>
5. <i>Can you give me any helpful hints?</i>	<i>Get different opinions on pieces - they project an image</i>

(List entrepreneurial skills to be applied. Keep these in mind.)

Finance Control

Human Relations ability

Overall comments, after interview: *Very helpful information, complete with "war stories" about the costly things that can go wrong. I'd be inclined to do a bit of comparison shopping before committing my money.*



Page 7 of 8PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name:	Address:	Phone:	Appointment: (Date/Time)
<u>Donna Marks</u>	<u>1591 N. Daniels</u>	<u>368-2493</u>	<u>Mar 21, 1:30</u>

Issue(s) to be investigated:

What kinds of direct mail advertising could I use for advertising my seminars?

What kinds of services are available to assist in launching my campaign?

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:

Comments:

1. *What services are available from your company?*

2. *How would I go about using your services?*

Counseling, ordering and delivery of mailing lists, follow-up and evaluation - what went right or wrong.

(List entrepreneurial skills to be applied. Keep these in mind.)

Decision making,

Reality perception

Inner Control

Overall Comments, after interview: *I didn't know before that this kind of service existed. It's amazing how sophisticated it is.*

SELF EVALUATION ON COMPLETION OF PROJECT

Project Title or Theme: Advertising - Direct Mail

What entrepreneurial skills did you apply? *I used all the skills except innovation. Although I didn't have risk-taking written down originally, risk was involved in sharing my business ideas with R.P.s. Through the interviews my reality perception increased - I became aware of things I hadn't known existed. Planning for interviews was essential to keep myself organized and to accomplish what I was after. Human relations helped me in the interviews. I used feedback a lot when comparing information from different sources.*

How well do you feel you applied these skills? Explain.

I think I applied them well. I was glad that I had the assignment to practice them. I might mention, though, that I applied them in different ways than I had planned.

What did you learn that would help you apply these skills to your greater satisfaction?

I had a good experience in practicing the skills, particularly risk-taking which I have been hesitant to use in the past. I will be less hesitant to take risks in the future.

What entrepreneurial skills did you observe being used?

Innovation - seems to be important in designing new approaches to advertising. Reality Perception and using feedback - one R.P. suggested using a number of different letters at first and choosing the one that worked best.

Risk-taking was pointed out to me by one R.P. who remarked: "You can lose your shirt if the interest just isn't there."

What have you learned that will help you fulfill your career goals?

I have realized the difficulty of getting this business off the ground. It will probably be necessary to start it on a part-time basis while still holding my job.



**DIRECT MAIL CAMPAIGN
PROMOTING
A SEMINAR ON
HOW TO PUT NEW LIFE IN YOUR JOB**

**In a Size 10 Business Envelope, Enclose
Promotional One-page Letter.
Promotional One-page Flyer.
Return Reply Card.
Return Envelope (Size 9).**

**Send to selected businesses and organizations which might wish to have
me present the seminar to their employees or members.**

DIRECT MAIL CAMPAIGN FOR PROMOTION OF SEMINAR

Direct mail is one of the most expensive and effective forms of advertising. It is expensive because of the quantity of mail sent in any one campaign; 80,000 pieces is not uncommon. Quantity coupled with ever-rising postage and wages inflates the total cost of the campaign. It is effective if the careful selection of the mailing list produces genuine candidates for the product.

Because direct mail is expensive, it is important to plan all the details of the campaign carefully, to monitor every step of the program, and to follow up to see what went right and what went wrong.

A 3% return is considered good. For each 1,000 pieces mailed, 30 represents a good return.

There are three challenges for the copywriter preparing direct mail material.

1. Get your target to open it.
2. Get your target to read it.
3. Get your target to take requested action.

Therefore, the envelope is very important. Some prefer a quality plain white envelope. Others like an envelope covered with "teaser" lines to generate excitement and get the envelope ripped open. Still others prefer a see-through window envelope to allow a peak at the "exciting" contents inside. The correct approach depends upon product, client, and to whom the promotional piece is to be mailed.

Addressing can be by hand, by pressure-sensitive labels, or by machines. There's also a choice in salutations to be used: a personalized address and salutation; a generalized salutation, i.e., Greetings; or no inside address or salutation but possibly a printed headline or typed line in capital letters.

The message can go out under the company letterhead or a specially designed one to fit the message and the occasion.

Choice presents itself again in the signature which may be signed personally, by machine, or on a master copy if printing is by offset.

It's important that the body of the copy of the promotional piece be well written. One sentence must flow smoothly into the next or one runs the risk that the reader will abandon the piece and stop reading. The copy must include a strong action step and it must be easy to do. It's essential to enclose a reply card and a postage-paid reply envelope in which to enclose it.

In discussing my seminar--How to Put New Life in Your Job--with John Jackson, he suggested I go after the over 40 crowd (they have the money to attend) who are in middle or upper management positions. Jackson recommended that I send a letter, a reply card, and a return envelope, either with or without postage. The cost of a good promotional letter--content only--could run \$500. Jackson suggested that I use four or five different letters before settling on the one that draws the best response.

Because of the great costs in direct mail, it's most important that the campaign be directed to a carefully selected audience. Jackson told me about firms which broker mailing lists. Jackson said that Donna Marks would be a good person to contact. I called Marks to set up an appointment to learn how her firm could help me launch my seminar.

Upon talking to Marks, I learned that her firm has approximately 10,000 mailing lists. Lists are matched by product and appropriate demographic data. Rental for lists cost is \$30.00 to \$50.00 per 1,000 names.

Information supplied to list renter includes:

1. Name of list.
2. Number of names on list.
3. Type of individual.
4. Particular interest group represented.

5. Price of list.
6. Selections that are available by list, e.g., male/female, state, executive.

Representative and "customer" (me) sit down together and mutually decide which list is best. Before I can get list, I must submit sample of publicity to be used for promotion of seminar; for example, promotional brochure or letter. They will send this on to owners of mailing list, such as Fortune, Wall Street Journal. Owner of list will look into my credentials and decide if I may use mailing list. Owner of list must approve me.

Once I am approved, they will write order; tell owner how to sort mailing list; send order and indicate date labels are to be delivered; and ship labels to me or to my mailing service.

After mailing, representative sits down with me to decide what went right or what went wrong. Only fee I incur is rental fee of list. Counseling of me is part of the service.

Another firm, MAXIMAIL, offers a similar service plus handles all the clerical tasks associated with getting the mailing out.

In selecting mailing pieces, it is important to watch weight and size to avoid paying double the usual postage or to having to buy special-size envelopes.

While direct mail seems to be the appropriate advertising vehicle for a seminar, it would be prohibitive for a person just starting out to go first class and to avail themselves of all the professional help that is available. Just as many of us have had to become do-it-yourselfers around our homes to balance budgets, so too a person just starting out would have to do much of the work related to launching a direct mail campaign. Luckily, there are some excellent books on the subject which provide first class guidance. One must remember how one local seminar promoter who mailed out 7,500 brochures and got 12 registrants summed it up: "You can lose your shirt if the interest just isn't there."

Note: Attached are samples of direct mail pieces.



FIRST CLASS DIRECT MAIL CAMPAIGN
5,000 PERSONS TO RECEIVE QUARTERLY MAILING

12-Month Budget
Direct Mail Campaign
for Seminar on
How to Put New Life in Your Job

ITEMSEXPENSESMailing List

5,000 names: rent list at \$30 per 1,000 names;
during year, mail to this group four times

\$ 600.00

Promotional Letter

Fee to copywriter for two one-page letters
at \$500 per letter

1,000.00

One-page Promotional Flyer Enclosure

Fee to copywriter

250.00

Design of Logo for Letterhead, Envelope, and
Promotional Enclosure

400.00

Typing of One-page 35-line Letter

Typed on automatic typewriter; appearance is as
original; \$3.00 initial input; .02 each line of type

1,403.00

Printing of Logo and Address on Stationary and
Envelopes and Printing of Business Reply Envelopes

20,000 sheets of white #1 bond stationery	\$ 187.50
set up letterhead copy	5.00
20,000 envelopes with return address (#4 bond, size 10)	171.00
set up envelope copy	3.50
20,000 business reply envelopes (#4 bond, size 9)	171.00
set up envelope copy	5.00

Printing of Camera-ready Promotional Flyer

20,000 copies on #20 weight color paper stock	252.24
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Printing of 20,000 Return-reply Cards for
Indicating Interest in Seminar

White paper stock, 3½" x 5"	163.22
Set up of type	10.00

<u>20,000 Bulk Rate Stamps</u>	1,680.00
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600 Replies Using Business Reply Envelope

18.5¢ per returned envelope*	110.00
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Business Reply Postage Fee

Annual fee	30.00
Annual accounting fee	75.00

Cost for Folding Inserts, Inserting, Sealing Envelopes,
Applying Computer Cheshire Labels, Sorting Mail, and
Delivering It to Post Office for Delivery

\$25 per 1,000	500.00
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*With advance deposit: 15 + 3½¢
No advance deposit: 15 + 12¢



Typing of Camera-ready Promotional Flyer

1 hour at \$5.50/hour	\$ 5.50
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Miscellaneous Typing

\$1.75 per single spaced page (20 pages)	35.00
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Unanticipated Miscellaneous Expenses

	400.00
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Total	
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	<u>\$7,466.96</u>
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Note: This is a first class budget proposal availing oneself of the best professional services available. A person starting out could not afford this budget. Therefore, the next step would be to explore refinements. In my case, this would include (1) a reduction in the number of people mailed promotional materials and (2) a "doing myself" rather than a "hiring done" of many of the items listed.

(This project certainly focuses on a minimum of four skills: planning and goal setting, reality perception, feedback and decision making.)



SELECTED READINGS

Selecting Advertising Media: A Guide for Small Business (Small Business Management Series No. 34, 2nd Edition), Harvey R. Cook, U.S. Small Business Administration, Washington, D.C., 1977.

Up Your Own Organization! Donald M. Dible, (A Handbook for the Employed, the Unemployed, and the Self-Employed On How To Start and Finance A New Business), Santa Clara, California, Entrepreneur Press, 1971.

Successful Direct Marketing Methods. Bob Stone (Chairman of the Board, Rapp, Collins, Stone and Adler, Inc.) Crain Books, A Division of Crain Communications, Inc., Chicago, Illinois, 1975.

Planning and Creating Better Direct Mail. John D. Yeck and John T. Maguire, McGraw-Hill Book Company, Inc., New York, 1961.

Advertising: How to Write the Kind That Works. David L. Malickson and John W. Nason, Charles Scribner's Sons, New York, 1977.

The Successful Consultant's Guide to Authoring, Publishing, and Lecturing. Hubert Bermont, Bermont Books, Washington, D.C., 1979.

out-of-class assignment sheet

1. During the coming week, select a title or theme for your first project. It should be related to your interests in business ownership and may be in one of the nine project areas suggested in the Handout - Entrepreneurship that you received at the very first class session.
2. Identify three issues related to the theme you have selected which you wish to investigate. These issues should be specific and should be in the form of questions.
3. Use the Blank Student Project Plan or a similar format to write in your themes and issues.
4. Be prepared to discuss in class:
 - some activities you plan to do
 - readings that you have tentatively identified
 - the kinds of resource people you would like to visit
 - how you plan to present your findings.



Resources for Planning and Completing Projects

Three kinds of resources for aiding students and instructors in planning projects are presented in this section.

First, for each of nine project areas, specific activities are given as examples of the kinds of activities which may be included in student projects. These activities are suggestions only, and students should be encouraged to modify them to suit their own interests. In addition, at least one of the entrepreneurial skills is listed as a suggestion for practice during the activity.

Second, for each of the nine project areas, a list of issues which could be investigated by students is provided. Students may use these issues directly in planning their projects, or they may wish to use them as ideas to help them write their own issues.

Third, for each of the nine project areas, a pre-designed project has been developed. These pre-designed projects may be used to familiarize students with the project method.

Six project areas are introduced in the LEVEL I sessions as Management Skill Areas. Depending on the time available and student interest, the remaining three project areas may be introduced at the discretion of the instructor.

Two additional types of resources are community resources described in the final section of this volume and resources in management skill areas included in the SUPPLEMENTARY READINGS Volume.

Project areas and activities were adapted from ideas contained in Owning and Operating a Small Business: Strategies for Teaching Small Business Ownership and Management, by Robert E. Nelson, James A. Leach and Thomas J. Scanlan. Illinois State Board of Education, 100 N. First St. Springfield, IL 62777.

**Deciding
on a
Product and Market**

SUGGESTED PROJECT ACTIVITIES

1. The Customers

Human relations
Reality perception

- Choose a type of business which interests you. Generate three lists in reference to that particular business:
 - people who need or want the product or service
 - people who are able to buy the product or service
 - people who are willing to buy the product or service
 Discuss the differences between the three lists.

Innovation

- Ask a business owner to describe the kinds of customers who buy the products or services. Summarize in writing. Think of possible ways to expand the market.

- Analyze five potential products for a business of your choice with regard to buying motives of customers. Some buying motives might be:

- Comfort
- Convenience
- Security
- Prestige
- Health
- Economy

Human relations
Using feedback
Reality perception

First, write down your own perceptions of the buying motives of customers for each product. Then survey several people about their buying motives. Compare your own perceptions with the results of your survey. Summarize the similarities and differences, and possible reasons for any differences.

- Discuss with a small business owner a specific marketing problem he or she

Decision making

has experienced, or is currently experiencing. Use the problem solving process to analyze the problem and suggest possible solutions. Be sure to use as many sources of information as possible. Plan how the suggested solutions should be carried out.

Planning

- Prepare a profile describing potential customers of a particular business in terms of such characteristics as:

Human relations

Age
Sex
Marital and Family Status
Employment
Income

Compare this profile with characteristics and trends of people in a particular area in which you might wish to initiate the business. Summarize your conclusions about the feasibility of the business on the basis of this comparison.

Planning
Using feedback
Reality perception

- Using information from trade association publications, Chamber of Commerce, government agencies (such as the Dept. of Commerce, Bureau of the Census) and your own survey research, summarize the following, with regard to a particular type of business:

Using feedback

- 1) what the customers want, for example, quality, price range, preference for buying or renting, etc.
- 2) where the customers buy - shopping centers, downtown area, a district which features a number of similar businesses (such as a used car row), etc.
- 3) when the customers buy, including hours, days of the week, months, or seasons customers are likely to buy products.

- 4) how customers prefer to pay for purchases, including cash, credit cards, checks, bank financing, etc.

Draw conclusions which are relevant to the business. Make recommendations on the basis of your conclusions.

Decision making
Risk taking

- Talk to small business owners about the risks they took when starting up. Did they consider the potential customers when taking the risk?

2. The Business

Decision making
Risk taking

- Develop a list of possible products or services which might be provided by a particular business. Reduce this list to basic products and/or services which would be necessary to start the business. Write the reasons why each was included or excluded from the second list. Use information from at least three sources (for example, a business owner, a publication, and a potential customer). Develop a tentative plan for expansion, using the items which were excluded from the second list as a guide.

Planning

Decision making

- Analyze and describe the products and/or services of an existing business. Imagine yourself to be the owner of that business. What additional products and/or services would you include, and why? Imagine yourself to be a competitor of the business. Describe the products and/or services you would choose, and the reasons for your choice.

Innovation

- Look in newspapers and magazines for a story about someone providing an unusual product or service. Discuss whether the business would succeed in your area.

3. The Competition

- Look at an area in which you might wish to start a business.

Describe:

- 1) The extent of the competition you would face.
- 2) The size of the market.

Draw conclusions about the ability of the market to support another business of the same type or the necessity of altering the business in order to provide a unique product or service.

Decide under what circumstances you would take the risk of starting your business there.

Feedback

Reality perception
Decision making
Risk taking

ISSUES FOR INVESTIGATION

Product

- How do small business owners decide on a particular business?
- What basic products or services might be provided by a new business starting up and how could this be expanded?
- What are the advantages and disadvantages of starting up a business from "scratch"? Of buying an existing business?

Customers

- What are customers' motives for buying and how can this be used?
- What are the characteristics (age, sex, family status, employment, income, etc.) of potential customers of the product or business that interests me?
- How do these characteristics compare with those of the people in the area where I might start my business?
- For a particular type of business what do customers want? Where do they want to buy it? When do they buy? How do they want to pay for the product or service?

Competition

- What are the advantages and disadvantages of competition?
- What is the extent of the competition I would face in starting up a business?
- What is the size of the market, and can it support another business?

STUDENT PROJECT PLAN

(Cover Sheet)

Section 1: To be completed at the planning stage.

Student's Name:

Project Title or Theme: *Deciding on a Product and Market -
the Product or Service*

What issues do you wish to investigate? (Put in question form.)

1. *How do business owners decide on a particular business?*
2. *What products or services might be provided initially by a new business?*
3. *How could the basic business be expanded?*

Time Element. Starting Date:

Planned Completion Date:

Section 2: To be completed at the end of the project.

Summary of Completed Project

How many entrepreneurial skills did you apply?

How many resource persons did you work with?

What other types of resources did you use?

Planned time for completion of project:

Actual time taken to complete project:

What have you gained from completing this project?

Issue: *How do business owners decide on a particular business?*

Target date for completing activities:

What activities have you planned to address this issue?

- Interview three business owners to find out how they decided on their businesses or*
- collect three or more examples from written sources, or*
- a combination of a and b above.*

Identify resource people who will be of help.

Name(s):

3 business owners

Identify other resources and readings.

(Give titles, authors and subject matter.)

Small Business Management by N. Siropolis, ch. 3 & 4

magazines such as Successful Business, Success Unlimited, Venture, Enterprising Women; newspapers.

Describe how you will present your findings.

A written summary of my findings along with my own reasons for choosing a particular business. I will also add a comment about the similarities and differences

Which entrepreneurial skills will you emphasize? *among the reasons.*

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making		
Human Relations	☒	<i>Encouraging business owners to talk freely about their reasons for deciding on a particular business.</i>
Planning & Goal Setting		
Reality Perception	☒	<i>checking my ideas on the best business to start by comparing them with the experiences of business owners.</i>
Using Feedback		
Risk Taking		

Issue: *What products and/or services might be provided initially by the new business?*

Target date for completing activities:

What activities have you planned to address this issue?

Find out from three business owners what basic products or services they provided when they started up.

Identify resource people who will be of help.

Name(s):

3 business owners

Identify other resources and readings.

(Give titles, authors and subject matter.)

Small Business Administration pamphlets on the particular types of businesses which interest me.

Describe how you will present your findings.

Determine what basic products or services I want to provide. Summary of my decision, and a presentation of my reasoning in class.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making	✓	<i>Collecting information and making a decision about products or services.</i>
Human Relations		
Planning & Goal Setting		
Reality Perception		
Using Feedback	✓	<i>Using the experiences of business owners to help me decide on basic products.</i>
Risk Taking	✓	<i>Presenting my decision and reasoning before class members.</i>

Issue: *How could the basic business be expanded?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *List additional products or services I might provide.*
2. *Select from this list those which seem most likely to aid the expansion of the business.*

Identify resource people who will be of help.

Name(s):

Identify other resources and readings.

(Give titles, authors and subject matter.)

Describe how you will present your findings.

a list of additional products or services in order of priority with reasons for my choice. I will present the list to class members for feedback.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control	✓	<i>Planning how I want the business to develop rather than depending on others or leaving things to chance.</i>
Innovation		
Decision Making		
Human Relations		
Planning & Goal Setting	✓	<i>Setting priorities for business expansion.</i>
Reality Perception		
Using Feedback		
Risk Taking		

PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name:	Address:	Phone:	Appointment: (Date/Time)
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3 business owners

Issue(s) to be investigated:

*How do business owners decide on a particular business?
What products and/or services might be provided
initially by the new business?*

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:

Comments:

1. *How did you decide on your business?*
2. *Is this the only type of business you have started?*
3. *When you first opened, what products or services did you offer?*
4. *How did you decide on them?*
5. *What additions have you made since?*
6. *How did you decide?*
7. *Would you do anything differently if you could start all over?*

(List entrepreneurial skills to be applied. Keep these in mind.)

*Decision making Reality Perception
Human relations Using feedback.*

Overall comments, after interview:

Page 6 of 6SELF EVALUATION ON COMPLETION OF PROJECTProject Title or Theme: *Deciding on Product & Market - The Product or Service*

What entrepreneurial skills did you apply?

How well do you feel you applied these skills? Explain.

What did you learn that would help you apply these skills to your greater satisfaction?

What entrepreneurial skills did you observe being used?

What have you learned that will help you fulfill your career goals?

Selecting a Location

SUGGESTED PROJECT ACTIVITIES

1. Importance of Location

Human relations

- Survey business owners to find out their opinions of the importance of location to the success of a business. Summarize your findings.

Using feedback

Summarize what you can conclude from your findings.

or

Using feedback

- Summarize books' views on importance of location. Ask at least one business owner to comment on your findings, with regard to the importance of the factors to his or her particular business.

2. Methods of Selecting a Location

Using feedback

- Survey - business owners to find out:
 - how they selected their location
 - what they might do differently if they had it to do again
 - problems they had anticipated when they selected their location
 - how they approached these problems
 - problems they had not anticipated when they selected their locations; how they handled these problems
- Apply what you have learned to a business which interests you.

Planning
Innovation

- Interview a business owner in depth about choosing of that business' particular location.
 - Summarize problems of location
 - Design ways to approach problems

Decision making
Risk taking

- Imagine yourself about to choose a location for a particular venture which interests you. Develop a list of possible locations by using ads, asking friends, relatives, looking for vacancy signs. List advantages and disadvantages of each. Select one as being most appropriate for your particular venture, and summarize why. Develop ways of approaching possible problems.

3. Factors to consider when deciding on a community

Risk taking

- Analyze a community (town, city, suburban area) to determine its suitability for locating a particular venture which interests you. Use a comparison of its positive and negative aspects to determine whether or not you would go ahead in establishing the business.

or

Decision making
Reality perception

- Compare two communities to determine which is more suitable as a location for a particular venture which interests you.

Human relations

- a. nature of the business
- b. personal preference
- c. access by customers and potential customers
- d. access by owner
- e. competitors
 - quality of products
 - type of services offered by competitors
- f. economic conditions
- g. demographic characteristics
- h. needs of community

or

- Analyze the location of an existing business. Summarize the advantages and disadvantages of the community as a location for the business. Summarize the methods the owner has used to

Internal control

to overcome the disadvantages. Suggest ways the owner of the business could overcome some of the disadvantages of the community. Suggest ways the owner could make better use of the advantages of the location.

Innovation
Planning

4. Factors to consider when selecting a particular site in a community.

- Buying or leasing. Summarize the advantages and disadvantages of buying or leasing a business site.

Reality perception

A. Analyze a lease of a business. Summarize the lessee's responsibilities and the lessor's responsibilities according to the lease.

B. Interview a business person who owns his or her site. Summarize the owner's ideas of the advantages and disadvantages of owning a site.

C. Interview a business person who leases a business site. Summarize the person's comments on the reasons he or she leases a site, and its advantages and disadvantages.

Using feedback

- Survey of business neighborhood

A. Analyze the appropriateness of an available business site for a particular type of business.

or

Compare two or more available business sites. Include a description of:

- Traffic
 - the pedestrian traffic
 - auto traffic
 - flow

Decision making

- Accessibility
 - parking
 - roads, streets
 - public transportation

Summarize the advantages and disadvantages of each location for your chosen business, taking into consideration the type of customers you hope to attract.

B. Location of competitors and other businesses

- Describe businesses near your prospective location.

Reality perception

- Summarize the possible effects of surrounding businesses on your business. Analyze both positive and negative aspects.

Using feedback

- Gather information about an available site by talking with neighbors (more detail here).

5. Considering the layout of the business

- Summarize either the layout of an existing business or an available site, including the following factors:

Floor strength and appearance
 Ceiling height and appearance
 Floor space - selling and non-selling

Possibilities of expansion

Visibility

Accessibility for deliveries

Appearance and image of building
 Needs of your particular business - for example, wiring for refrigeration units, water, etc.

Planning

- Develop a list of physical characteristics of a site that:

Reality perception

- are essential to the operation of a business of your choice
- are desirable, but not essential
- are likely to be undesirable

Decision making
Reality perception
Planning

Innovation

- Compare the layout you examined to the physical characteristics you listed as being essential, desirable, and undesirable.
 - Rate the site as being suitable, adequate, marginally adequate, or inadequate.
 - Draw up a list of changes or improvements which would be essential or desirable for the site. Include a cost estimate.
 - Develop a floor plan for the site for a business of your choice.

Reality perception

6. Summarize the taxes, ordinances, and zoning laws which may affect a certain location.

ISSUES FOR INVESTIGATION

Personal Preference

- How important is a location near family and friends?
- What are the advantages and disadvantages of selecting a location where you are unknown?
- What are the advantages and disadvantages of locating in a particular climate?
- What factors determine whether you prefer a small town, suburb or city?
- How suitable is the area for your lifestyle?

Accessibility

- What facilities need to be available nearby?
- What are local traffic patterns?
- What parking is available?
- What are the advantages and disadvantages of locating in a shopping mall?
- What attraction power does a particular location have to draw traffic?
- How accessible to customers?

Competition

- What is the nature of the competition? How much? How close? How strong?

- What is the size and proximity of neighboring towns?
- What competition do they impose?
- What need exists in the community for your business?
- What noise does the area have that might affect the business?

Economic Conditions

- What is the local economic base?
- What are the state and local taxes?
- Can you afford occupancy in a shopping mall?
- What is the average income?
- What zoning and building regulations will affect you?

Demographic Characteristics

- What class and type of customers do you want to serve?
- Is the population tending to increase or decline?
- What approximate % of the population is retired? Older married? Younger married? Families with children? Singles?
- What is the crime rate?
- How can the labor market be described?
- What changes taking place in the city might affect your business?
- What civic organizations are available to help the city meet its problems?
- What are the population and income trends?

Specific Site

- What options are associated with buying or leasing an existing building?

- If you are planning to lease, have you considered:
 - How is rent determined? (Flat rate or flat rate + % of sales)
 - Who owns improvements that the tenant makes?
 - How much insurance does the landlord have?
 - Is the tenant required to have certain coverage?
 - Can the tenant sublet?
 - Are there options for expansion?
 - Are there any restrictions on the property's use?
- How suitable is the climate for your business?
- What is the history of the site?
- Does the site have an existing building? If so, :
 - How well does the building meet requirements for your layout? (floor space, ceiling height and appearance, accessibility for deliveries, appearance of building, wiring, etc.)
 - How much remodeling will need to be done?

STUDENT PROJECT PLAN

(Cover Sheet)

Section 1: To be completed at the planning stage.

Student's Name:

Project Title or Theme: *selecting a location - Area Characteristics*

What issues do you wish to investigate? (Put in question form.)

1. *What are the characteristics of the population in the area?*
2. *What competitive and complementary businesses exist in the area?*
3. *What changes are taking place in the area that might affect my business?*

Time Element. Starting Date:

Planned Completion Date:

Section 2: To be completed at the end of the project.

Summary of Completed Project

How many entrepreneurial skills did you apply?

How many resource persons did you work with?

What other types of resources did you use?

Planned time for completion of project:

Actual time taken to complete project:

What have you gained from completing this project?

Issue: *What are the characteristics of the population in the area?*

Target date for completing activities:

What activities have you planned to address this issue?

Obtain information on population from chamber of Commerce

Identify resource people who will be of help.

Name(s):

Chamber of Commerce

Identify other resources and readings.

(Give titles, authors and subject matter.)

Textbook, to find out what information will be most useful. Population information from local newspaper office, library, or bank.

Describe how you will present your findings.

Chart which describes characteristics important for my business and compares these to actual population characteristics.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control	✓	<i>By collecting information about the population, I reduce the possibility of choosing an unsuitable location.</i>
Innovation		
Decision Making		
Human Relations		
Planning & Goal Setting		
Reality Perception	✓	<i>Looking at the population characteristics of the area to see whether they meet the needs of the business.</i>
Using Feedback		
Risk Taking	✓	<i>Weighing the advantages and disadvantages of a location based on population data.</i>

Issue: *What competitive and complementary businesses exist in the area?*

Target date for completing activities:

What activities have you planned to address this issue?

Collect information from the Chamber of Commerce

Identify resource people who will be of help.

Name(s):

*Chamber of Commerce
Library*

Identify other resources and readings.

(Give titles, authors and subject matter.)

Principles of Small Business Management, MacFarlane, ch. 6

Describe how you will present your findings.

List complementary and competitive businesses and their addresses or locations

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making	✓	<i>collecting information about competitive and complementary businesses provides important input for making a decision concerning a suitable location.</i>
Human Relations		
Planning & Goal Setting		
Reality Perception	✓	<i>Obtaining information which will allow me to view the situation realistically.</i>
Using Feedback		
Risk Taking		

Issue: *What changes are taking place in the area that might affect my business?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *Collect information from Chamber of Commerce*
2. *Interview owners of complementary businesses*

Identify resource people who will be of help.

Name(s):

Chamber of Commerce
Business owners

Identify other resources and readings.

(Give titles, authors and subject matter.)

Local business clubs / organizations, police dept.
Local newspaper.

Describe how you will present your findings.

Develop a listing of positive and negative aspects of changes that are currently occurring in the area.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making		
Human Relations	✓	<i>By talking with owners of complementary businesses I may establish valuable contacts.</i>
Planning & Goal Setting	✓	<i>Planning visits to resource people so that time will be spent usefully.</i>
Reality Perception		
Using Feedback	✓	<i>Using information about the community to look at how changes may affect the business.</i>
Risk Taking		

PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name: Address: Phone: Appointment:
(Date/Time)

Chamber of Commerce

Business Owners

Issue(s) to be investigated:

What are the characteristics of the population in the area?

What complementary and competitive businesses exist here?

What changes are taking place that might affect my business?

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:

Comments:

Is the population increasing? How much?

What is the age distribution of the population?

Income? Education level? Do most families own or rent housing?

What competitive and complementary businesses

exist in the area? Where are they located?

What unique customer services do they offer?

Does this community want new businesses?

Are businesses growing in this area? What

new businesses are expected? What is

the crime rate? What civic organizations are active?

(List entrepreneurial skills to be applied. Keep these in mind.)

Human relations, reality perception, using feedback, risk taking.

Overall comments, after interview:

SELF EVALUATION ON COMPLETION OF PROJECT

Project Title or Theme: Selecting a Location - Area Characteristics

What entrepreneurial skills did you apply?

How well do you feel you applied these skills? Explain.

What did you learn that would help you apply these skills to your greater satisfaction?

What entrepreneurial skills did you observe being used?

What have you learned that will help you fulfill your career goals?

Obtaining Initial Capital

SUGGESTED PROJECT ACTIVITIES

1. Capital

Using feedback

- Get at least three definitions of the term "capital" as it applies to business from books or other written sources. Get at least three definitions of the term from business owners. Compare these definitions, and write your own.

Decision making
Using feedback
Reality perception
Planning

- Find out the differences between fixed capital and working capital. Summarize your need in a business of your choice for each, including specific items needed in order to start and run the business and their cost. Conclude with a statement of the total amount of capital you believe you would need to start the business.

Using feedback
Reality perception

- Find out the meaning of the term "equity capital," and at least four sources of equity capital. Summarize advantages and disadvantages of each source of equity capital. What risks are involved with each source?

Risk taking
Human relations

- Talk to business owners who have borrowed capital from or are in partnership with friends or relatives. Find out about the problems and advantages.

2. Credit or Debt Financing

Planning

- Obtain a copy of a loan application from a bank and a finance company. Complete the applications, noting possible reasons the institutions ask for the various kinds of information.

Reality perception

Decision making
Using feedback

- Find out the differences between the lending policies of banks and finance

Risk taking

companies. Summarize the effects these policies would have on you as a potential business owner. Include your views on the risks involved in borrowing from each and whether you feel the risks would be worth taking.

**Reality perception
Using feedback**

- Find out the conditions for receiving loans from the Small Business Administration and a Small Business Investment Company. Summarize the advantages and disadvantages of each to you personally as a potential business owner.

Reality perception

- Find out the meaning of the term "trade credit". Ask several business owners how they use trade credit and what difficulties they found in getting trade credit.

**Decision making
Planning**

- Using the information you have collected, plan how you would obtain a loan for your business.

3. Obtaining a Loan**Reality perception
Human relations**

- Interview a banker or loan officer to find out what lenders want to know about applicants when evaluating loan applications.

**Planning
Using feedback**

- Prepare a summary of items you would include in a business plan to be submitted to a bank for a loan. Find out from a banker or loan office what additional items need to be included.

QUESTIONS FOR INVESTIGATION

How Much is Needed

- How much money is needed to get the business started?
- How much is needed to buy the permanent assets of the business -- those things which are not for sale?
- How much will be required as a maximum in store fixtures and equipment?
- How much should be set aside for pre-opening expenses such as advertising and miscellaneous essential but unanticipated expenses?
- How much is needed to keep the business going until returns from operations provide sufficient funds to meet normal recurring expenses?
- What will the initial expenses be?
- Is it more economical to lease equipment than to buy it?
- Why is it desirable for the owner's equity in a business to be as great as possible?

Where?

- What are the various sources of capital available to a small business?
- What are the advantages and disadvantages of each source of capital?
- What is equity capital? Debt capital? Venture capital?
- What are the usual methods of obtaining debt capital?

- What government programs are available to aid small businesses?
- What types of loans are available?
- How much does it cost to borrow money?
- What are some of the factors a lender looks at in evaluating a borrower?
- What kinds of limitations are imposed by lenders on business loans?
- What are the advantages/disadvantages of selling securities to raise money?
- How do lenders differ from investors in their attitudes about new businesses?
- What is meant by borrowing power contributed by an investor?
- What constitutes an ideal investor?
- How soon will the borrowed money be repaid?

STUDENT PROJECT PLAN

(Cover Sheet)

Section 1: To be completed at the planning stage.

Student's Name: _____

Project Title or Theme: *Obtaining Initial Capital - How much is needed?*

What issues do you wish to investigate? (Put in question form.)

1. *How much initial capital is needed to start a particular type of business?*
2. *How much contingency capital should be set aside for unanticipated expenses?*
3. *How much is needed to provide sufficient funds to keep the business going until it can generate enough money to meet normal recurring expenses?*

Time Element. Starting Date: _____

Planned Completion Date: _____

Section 2: To be completed at the end of the project.

Summary of Completed Project

How many entrepreneurial skills did you apply?

How many resource persons did you work with?

What other types of resources did you use?

Planned time for completion of project:

Actual time taken to complete project:

What have you gained from completing this project?

Page 2 of 7

Issue: *How much fixed capital is needed to start a particular type of business?*

Target date for completing activities:

What activities have you planned to address this issue?

Talk to two business owners in a particular type of business to find out how much capital they needed to buy fixed assets.

Identify resource people who will be of help.

Name(s):

Two business owners

Identify other resources and readings.

(Give titles, authors and subject matter.)

*McFarlane, W.N. Principals of Small Business Management, Chapter 5.
McGraw-Hill, 1975.*

Describe how you will present your findings.

A written statement showing the assets needed to get started, and estimated costs.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making		
Human Relations	✓	<i>Business owners may be sensitive about discussing money matters. Goodwill can be created by sensitivity to other person's perspective.</i>
Planning & Goal Setting		
Reality Perception	✓	<i>Checking the consistency between written sources of information and information from business owners.</i>
Using Feedback		
Risk Taking		

Page 3 of 7

Issue: *How much contingency capital should be set aside for unanticipated expenses?*

Target date for completing activities:

What activities have you planned to address this issue?

Find out the meaning of contingency capital.

ask two business owners to explain how they handle unanticipated expenses.

Identify resource people who will be of help.

Name(s):

Two business owners

Identify other resources and readings.

(Give titles, authors and subject matter.)

Describe how you will present your findings. *An itemized statement of the things for which contingency funds should be set aside in my business, listed in order of priority. Estimate the consequences of not allowing funds for the items on the bottom half of the list.*

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control	✓	<i>By planning for unanticipated expenses, I reduce the effects of chance on the success of my business.</i>
Innovation		
Decision Making		
Human Relations		
Planning & Goal Setting		
Reality Perception		
Using Feedback		
Risk Taking	✓	<i>Estimating the consequences of eliminating some of the items from the list of anticipated expenses.</i>

Page 4 of 7

Issue: How much additional capital is needed to provide sufficient funds to keep the business going until it can generate enough money to meet normal recurring expenses?
 Target date for completing activities:

What activities have you planned to address this issue?

1. Ask two business owners to describe their experiences in meeting normal recurring expenses until the business started generating enough money to cover them. 2. Ask a banker the same question.

Identify resource people who will be of help.

Name(s):

Two business owners

Banker

Identify other resources and readings.

(Give titles, authors and subject matter.)

Bloom, H.N. and Longenecker, J.G. Small Business Management, Chapter 14
 Southwestern Publishing Co., Cincinnati, 1975.

Describe how you will present your findings.

Statement of estimated running costs, estimated earnings, and time frame for a particular type of business, to be presented to the class for critique and revision.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making		
Human Relations		
Planning & Goal Setting	✓	Planning for sufficient working capital at the start-up stage
Reality Perception		
Using Feedback	✓	ask class to critique the initial draft of the statement and revise it on the basis of this feedback.
Risk Taking		

Page 5 of 7PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name: _____ Address: _____ Phone: _____ Appointment: _____
(Date/Time)

Business Owners

Issue(s) to be investigated: *How much fixed capital is needed to start the business?*
How much contingency capital should be set aside for unanticipated expenses?
How much additional capital is needed to provide sufficient funds to keep the business going until it can generate enough money to meet normal recurring expenses?
 Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:

Comments:

What permanent assets are needed in a business of this type?
How much money is needed to buy or rent them?
What did you buy and what did you lease at first?
Which do you consider the most economical?
How much have start-up costs changed since you started business?
How much money should be allowed for pre-opening expenses?
What expenses did you incur which you did not anticipate?
What are some possible unanticipated expenses?
How long does it take for a business of this kind to start making enough money to cover running expenses?
What methods did you use to predict your running expenses?

(List entrepreneurial skills to be applied. Keep these in mind.)

Inner Control, reality perception, Human Relations

Overall comments, after interview:

Page 6 of 7PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name:	Address:	Phone:	Appointment:
<u>Bankee</u>			(Date/Time)

Issue(s) to be investigated: *How much additional ~~funds~~ capital is needed to provide sufficient funds to keep the business going until it can generate enough money to meet normal recurring expenses?*

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:

Comments:

In your experience, how long does it take for a business such as the one that interests me to generate enough money to meet normal recurring expenses?

To what extent does this vary for different kinds of businesses?

Are there special kinds of loans to meet these expenses?

What other types of people or agencies can help in covering these expenses?

(List entrepreneurial skills to be applied. Keep these in mind.)

planning and goal setting; using feedback

Overall Comments, after interview:

Page 7 of 7SELF EVALUATION ON COMPLETION OF PROJECT

Project Title or Theme: Obtaining Initial Capital - How Much is Needed?

What entrepreneurial skills did you apply?

How well do you feel you applied these skills? Explain.

What did you learn that would help you apply these skills to your greater satisfaction?

What entrepreneurial skills did you observe being used?

What have you learned that will help you fulfill your career goals?

**Choosing
a Legal Form of
Organization**

SUGGESTED PROJECT ACTIVITIES

1. Definitions of Different Forms of Legal Organization

Reality perception

- Identify examples of a sole proprietorship, a partnership, and a corporation in the community. Find out from the owners or managers the reason for choosing that form of organization.

Using feedback

- Study in depth one of the forms of legal organization, and interview an owner or manager of an example of a business of that type. Find out the reasons for choosing that form of organization over others.

Reality perception

- Study in depth one of the less common forms of legal organization, such as subchapter S corporation, partnership association, joint stock company, cooperative, or non-profit corporation. Interview the owner or manager of the business to find out the advantages and disadvantages of that kind of organization to the particular type of business and to businesses in general.

2. Legal Procedures

Human relations

- Investigate the legal procedures necessary to establish a sole proprietorship for a particular kind of business in a particular community. Use at least two publications related to small business to help you develop a list of questions that need to be answered. Ask a business owner who is a sole proprietor and/or appropriate agencies the questions you have listed. Obtain and complete all necessary forms for licenses or permits. Determine the total amount of initial state tax or license fees.

Planning

Decision making

- Obtain a copy of a partnership agreement form. With a friend or another class member, complete the partnership agreement for a type of business which interests you. Make certain that the terms stated in the partnership would be suitable for both partners. Ask a person who is a partner in a business to examine and evaluate the agreement to identify potential problems.

Human relations

Planning

- Investigate the legal procedures necessary for starting a corporation. A number of practice handbooks are available commercially. Make a checklist of forms which must be filled out and fees that must be paid.

Inner control

Reality perception

- Investigate the state statutes which regulate corporations. "Translate" the statutes into what actions you would have to take initially and on an ongoing basis were you to form a corporation.

3. Liability

Risk taking

- Compare the financial liability of sole proprietorships, partnerships, and corporations.

or

Reality perception

- Investigate in depth the liability of individuals involved in one of the legal forms of organization.

4. Taxes

Using feedback

- Compare the taxes which must be paid by sole proprietors, partners, and corporations.

5. General

Decision making

- Choose a type of business which interests you. Summarize the advan-

tages and disadvantages of three forms of organization for your particular situation for that kind of business. Draw conclusions about the best form of organization for your situation.

ISSUES FOR INVESTIGATION

Characteristics of Sole Proprietorships

- Why are most small businesses sole proprietorships?
- What are the advantages of a sole proprietorship over other legal forms?
- What are disadvantages of a sole proprietorship?
- What are the financial liabilities of a sole proprietor?
- What is a good definition of a sole proprietor?
- What factors determine the performance of a sole proprietorship?
- What administrative problems may be inherent in a sole proprietorship?
- What interstate, state and local regulations influence the operation of a sole proprietorship?
- How is the income of a sole proprietorship taxed?
- What start-up costs are involved in establishing a sole proprietorship?
- What are the problems related to start-up capital in a sole proprietorship?
- How should a sole proprietorship use an attorney?

Characteristics of Partnerships

- What are the advantages of a partnership over a sole proprietorship?

- What are the disadvantages of a partnership?
- What should be included in a partnership agreement?
- Is a partnership agreement necessary?
- What is a good definition of a partnership?
- What are the liabilities of partners in a partnership?
- What is a limited partnership? Under what circumstances would a limited partnership be appropriate?
- What are the responsibilities of a limited partner?
- How is the profits distributed in a partnership? In a limited partnership?
- How are each of the partners taxed?
- What factors determine the permanence of a partnership?
- What administrative factors must be considered in a partnership?
- What interstate, state, and local regulations influence the operation of a partnership?
- What start-up costs are involved in establishing a partnership?
- What are the problems related to start-up capital in a partnership?
- What are the personal liabilities involved in a partnership?
- How is authority distributed in a partnership?
- What problems can arise?

Characteristics of Corporations

- What procedures are necessary to start a corporation?
- What costs are involved in starting a corporation?

- What is the minimum number of people required to start a corporation?
- What is the financial liability of owners of a corporation?
- What interstate, state, and local regulations influence the operation of a corporation?
- What happens to the profits of a corporation?
- How are corporations taxed?
- What are tax advantages and disadvantages of corporations?
- What agencies regulate corporations?
- How is capital raised in a corporation?
- How is authority distributed in a corporation?
- How should a corporation use an attorney?
- What administrative problems may be inherent in a corporation?
- What factors determine the permanence of a corporation?

Other Forms of Organizations

- What are the advantages and disadvantages of different forms of organizations such as the subchapter S corporation, co-operative, partnership association, joint stock company, non-profit corporation, etc.?

STUDENT PROJECT PLAN

(Cover Sheet)

Section 1: To be completed at the planning stage.

Student's Name:

Project Title or Theme: *Choosing the Legal Form of Organization - Partnership*

What issues do you wish to investigate? (Put in question form.)

1. *What are the advantages and disadvantages of a partnership?*
2. *How should a potential partner be evaluated?*
3. *What are the functions of a partnership agreement?*

Time Element. Starting Date:

Planned Completion Date:

Section 2: To be completed at the end of the project.

Summary of Completed Project

How many entrepreneurial skills did you apply?

How many resource persons did you work with?

What other types of resources did you use?

Planned time for completion of project:

Actual time taken to complete project:

What have you gained from completing this project?

Issue: *What are the advantages and disadvantages of a partnership?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *Obtain from written sources information about the advantages and disadvantages of partnership.*
2. *Talk with a business owner who is currently a partner, and one who said to be but is no longer.*

Identify resource people who will be of help.

Name(s):

Two business owners

Identify other resources and readings.

(Give titles, authors and subject matter.)

SBA Management Aid 231-Selecting the legal structure for your business
Successful Small Business Management, Jata, ch 5

Describe how you will present your findings.

A summary of the advantages and disadvantages of partnership and how they might affect the business which interests me.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making		
Human Relations	✓	<i>Talking with business owners about partnership decisions calls for tact.</i>
Planning & Goal Setting		
Reality Perception	✓	<i>Examining the advantages & disadvantages of partnership as they relate to my business.</i>
Using Feedback		
Risk Taking		

Issue: *How should a potential partner be evaluated?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *ask business owners what they consider important to a partnership.*
2. *use information gained to draw up a list of questions to ask myself when evaluating a potential partner.*

Identify resource people who will be of help.

Name(s):

Two business owners

Identify other resources and readings.

(Give titles, authors and subject matter.)

Describe how you will present your findings.

a list of questions I can ask myself when evaluating a potential partner.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control	✓	<i>By listing questions in advance I can be more objective in my evaluation.</i>
Innovation		
Decision Making		
Human Relations		
Planning & Goal Setting		
Reality Perception		
Using Feedback	✓	<i>Using the information I have obtained to draw up my own list of questions.</i>
Risk Taking		

Page 4 of 6

Issue: *What are the functions of a partnership agreement?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *Examine at least one partnership agreement. Identify the main issues*
2. *Draw up a list of provisions I would want covered in a partnership agreement.*

Name(s):

Identify other resources and readings.
(Give titles, authors and subject matter.)

Describe how you will present your findings.

Present the list of provisions to the class for critique.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making	✓	<i>Deciding from information gathered what to include in my partnership agreement.</i>
Human Relations		
Planning & Goal Setting	✓	<i>Planning what should be included</i>
Reality Perception		
Using Feedback		
Risk Taking	✓	<i>Defending my provisions in class</i>

Page 5 of 6PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name: Address: Phone: Appointment:
(Date/Time)

Business owners

Issue(s) to be investigated:

*What are the advantages and disadvantages of a partnership?
How should a potential partner be evaluated?*

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:

Comments:

*How did you get involved in a partnership?
What did you expect? Did things work
out as you expected? What are the advantages
and disadvantages of a partnership? If
you are no longer a partner, what were
your reasons for dissolving the partner-
ship? What factors are important in a
good partnership? How would you
evaluate a potential partner? If
you could start over, what would
you do differently? What problems might
arise from a partnership with a friend?*

(List entrepreneurial skills to be applied. Keep these in mind.)

Human relations, reality perception, using feedback.

Overall comments, after interview:

Page 6 of 6SELF EVALUATION ON COMPLETION OF PROJECT

Project Title or Theme: *Choosing the Legal Form of Organization*

What entrepreneurial skills did you apply?

How well do you feel you applied these skills? Explain.

What did you learn that would help you apply these skills to your greater satisfaction?

What entrepreneurial skills did you observe being used?

What have you learned that will help you fulfill your career goals?

Recordkeeping

SUGGESTED PROJECT ACTIVITIES

1. Importance of Keeping Records

Using feedback

- Summarize books' views on the importance of records. Ask at least one business owner to comment on your findings, with regard to the importance of the factors to his or her particular business.

or

Using feedback
Human relations

- List reasons for maintaining good records. Interview business owners to find out their opinions of the importance of recordkeeping to the success of a business.

Using feedback

- Discuss the importance of recordkeeping with local tax people. List what records are helpful when applying for credit or a loan.

2. Recordkeeping Systems

Using feedback
Decision making
Reality perception

- Investigate the double-entry method of recordkeeping. Investigate the single-entry method of recordkeeping. Compare the advantages and disadvantages of both methods to determine which one is more suitable for your business. Give your reasons for selecting which method is more appropriate for you.

Human relations

- Survey business owners to find out:
 - how they selected their method of recordkeeping
 - what problems they have encountered
 - how they handled their problems

3. Essential Records

Using feedback
Decision making
Planning

- Survey business owners to find out what non-accounting records they keep. Using this information, develop a list of non-accounting records you believe would be useful in your business.

Using feedback

- Gather information about what accounting records are important for efficiently operating a business. Compile a list of important accounting records. Ask a business owner to comment concerning how important he or she feels the records on your list are. Summarize the comments.

Planning

- Imagine you are setting up a record-keeping system for your business. List the records you would include.

Using feedback

- Find out the differences between a balance sheet and an income statement. Summarize findings to show what the purpose is for each of these financial statements. List what items would be included on these statements for your business.

4. The Recordkeeper

Using feedback

- Investigate all the possibilities available for hiring a recordkeeper. Check newspapers and telephone directories to establish what is currently available locally.

Reality perception
Decision making
Innovation

- Analyze your recordkeeping needs to determine who should keep your records. Compare the advantages and disadvantages of the recordkeeping services that are available. Choose who you would have keep your books. Make recommendations for overcoming any problems that may arise.

ISSUES FOR INVESTIGATION

Importance of Recordkeeping

- What business problems could be related to a lack of adequate records?
- What are the primary reasons for keeping business records?
- How are records used to prove credit worthiness?
- How are records used to support tax reports?
- How are records used to provide information for better management?
- How are records beneficial for making future decisions?
- How do records enable business people to analyze past performance?

Record Systems

- What is included in a double-entry recordkeeping system?
- What are the reasons for using a double-entry system rather than a single-entry system?
- What is included in a single-entry recordkeeping system?
- What are the reasons for using a single-entry system?
- What factors should be considered when choosing which system to use?

What Records Should be Kept?

- What records would be helpful in your business? Cash receipts? Sales? Purchases? Cash disbursements? Accounts Receivable? Accounts Payable? Payroll? Inventory? Equipment?

- What non-accounting records are beneficial to keep? Ex: Insurance Register? Personnel Information? Maintenance Information? Correspondence?

Who Should Handle the Recordkeeping?

- What are the factors to be considered when choosing a record-keeper?
- What are the advantages/disadvantages of each of the following:
 - Certified Public Accountant
 - free lance recordkeeper
 - part-time bookkeeper from accounting firms
 - friend
 - relative
- How much time will the recordkeeping involve?
- Can you afford the expense of hiring a bookkeeper?
- Are you qualified to keep the books? Do you want to?
- If you feel unqualified, are you willing to take instruction to learn the basics?

STUDENT PROJECT PLAN

(Cover Sheet)

Section 1: To be completed at the planning stage.

Student's Name:

Project Title or Theme: *Recordkeeping - The Recordkeeper*

What issues do you wish to investigate? (Put in question form.)

1. *What do I need to know about recordkeeping in order to make intelligent decisions about it?*
2. *What options are open to me when choosing a recordkeeper?*
3. *Do I have the ability to keep the business records myself, or do I wish to develop this ability?*

Time Element. Starting Date:

Planned Completion Date:

Section 2: To be completed at the end of the project.

Summary of Completed Project

How many entrepreneurial skills did you apply?

How many resource persons did you work with?

What other types of resources did you use?

Planned time for completion of project:

Actual time taken to complete project:

What have you gained from completing this project?

Issue: *What do I need to know about recordkeeping in order to make intelligent decisions about it?*
 Target date for completing activities:

What activities have you planned to address this issue?

1. *Obtain from written sources basic information related to record keeping.*
 2. *Find out from a business owner what is involved in a business record keeping system.*
- Identify resource people who will be of help.

Name(s):

Business owner

Identify other resources and readings.

(Give titles, authors and subject matter.)

Principles of Small Business Management - McFarlane, ch 9

Describe how you will present your findings.

Set of key concepts related to record keeping. Comparison with what business owner considers most important. Presentation of my conclusions to the class.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control	✓	<i>By obtaining information about record keeping, I can have more control over making a good decision.</i>
Innovation		
Decision Making		
Human Relations		
Planning & Goal Setting		
Reality Perception		
Using Feedback		
Risk Taking	✓	<i>defending my conclusions in class.</i>

Page 3 of 7

Issue: *What options are available to me when choosing a record keeper?*

Target date for completing activities:

What activities have you planned to address this issue?

Talk to two business owners about who keeps the records. Ask them to suggest other options that might be feasible for their businesses.

Identify resource people who will be of help.

Name(s):

Two business owners

Identify other resources and readings.

(Give titles, authors and subject matter.)

Recordkeeping systems available at office supply stores.

Describe how you will present your findings.

A list of options available for a business which interests me with advantages and disadvantages of each.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation	✓	<i>By combining some aspects of the options suggested to come up with an appropriate adaptation.</i>
Decision Making		
Human Relations	✓	<i>Tact is needed when asking business owners about the people who keep the records.</i>
Planning & Goal Setting		
Reality Perception		
Using Feedback		
Risk Taking		

Issue: *Have I the ability to keep the business records myself, or do I wish to develop this ability?*
 Target date for completing activities:

What activities have you planned to address this issue?

1. *Examine recordkeeping systems to help me decide if I have the ability to keep my own records.*
 2. *Investigate courses which might help me improve my ability.*
- Identify resource people who will be of help.

Name(s):

Identify other resources and readings.

(Give titles, authors and subject matter.)

Community college catalogs, self-instruction books, correspondence courses, tutor or consultant

Describe how you will present your findings.

Summary of findings with tentative decision whether to keep my own records, with reasons for decision.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making	✓	<i>Deciding whether to be my own recordkeeper.</i>
Human Relations		
Planning & Goal Setting		
Reality Perception		
Using Feedback	✓	<i>Collecting information from a number of sources and comparing the importance of the different items.</i>
Risk Taking		

Page 5 of 7PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name: Address: Phone: Appointment:
(Date/Time)

Two business owners

Issue(s) to be investigated:

What do I need to know about recordkeeping in order to make intelligent decisions about it?

What options are available when choosing a recordkeeper?

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:

Comments:

What records do you need to keep? Do you keep many non-accounting records? What are these? What records are required by law? How much time is required to keep the records? How did you decide who was to keep your records? Do you require extra help at certain times? Is there a standard rate of pay for recordkeepers?

(List entrepreneurial skills to be applied. Keep these in mind.)

Human relations, inner control, risk taking

Overall comments, after interview:

PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name:

Address:

Phone:

Appointment:
(Date/Time)

community college representative

Issue(s) to be investigated:

*Have I the ability to keep the records myself, or
do I wish to develop the ability?*

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:

Comments:

*If I plan to keep the records for my
business, what courses do you
offer that would help me? How
many courses should I take to
become qualified to keep my own
books? When are these courses
offered? How much time is involved
in classes? How much study
time should I allow?*

(List entrepreneurial skills to be applied. Keep these in mind.)

Decision making, using feedback

Overall comments, after interview:

Page 7 of 7SELF EVALUATION ON COMPLETION OF PROJECTProject Title or Theme: *Recordkeeping - The Recordkeeper*

What entrepreneurial skills did you apply?

How well do you feel you applied these skills? Explain.

What did you learn that would help you apply these skills to your greater satisfaction?

What entrepreneurial skills did you observe being used?

What have you learned that will help you fulfill your career goals?

Credit and Collection

SUGGESTED PROJECT ACTIVITIES

1. Advantages and disadvantages of extending credit

Reality perception

- Develop a definition of credit after consulting at least two written sources and one business owner.

Human relations

- Make up a questionnaire and survey business owners to find out if they extend credit. If so, why? If not, why not? Discuss what they see as the advantages and disadvantages of extending credit.

Inner control
Risk taking

Reality perception
Using feedback
Decision making
Inner control

- Summarize your findings and draw your own conclusions about what you would do in your own business.

2. Types of credit small business can offer

There are four basic types of customer credit accounts that the small business can offer if it handles its own credit sales:

- 1) charge accounts
- 2) revolving accounts
- 3) installment accounts
- 4) budget accounts.

Using feedback
Reality perception

- Find out as much as you can from the resources available about these four types of credit and write a brief report about each, giving your opinion from the business owner's point of view.

or

Using feedback
Reality perception
Decision making

- Interview business owners who use the different types of credit. Find out how each type works and what the owner feels are the advantages and disadvantages. Summarize your findings and decide which type you feel would work best.

Decision making
Human relations
Using feedback

- Some businesses offer credit but do not handle it themselves. They sell the customer's credit contract to a finance company. Interview a business owner who uses this method of extending credit and find out why it was chosen. What are the advantages and disadvantages to the business? How do you think the customers will feel? Report your findings, giving your opinions.

3. Determining who should be extended credit

Decision making
Risk taking

- Find out from several business owners how they determine who should be extended credit.

or

- Interview one business owner in depth to find out how he or she determines who should be extended credit.

Reality perception

- Talk to someone at the local credit bureau to find out how business owners find out about a credit applicant's past payment record.

- The four C's of credit that may be considered as a basis for deciding who should be extended credit are:

a) Character - the applicant's past record of payment

b) Capacity - the applicant's earning power to pay you back

c) Capital - the applicant's personal worth including savings and property

d) Conditions - the economic conditions of the community, state and region.

Decision making
Planning
Inner control
Innovation

Summarize how, as a business owner, you could find out about an applicant's four C's. Design an application form to help you collect the needed information. Be sure you have a reason for each item of information you request.

Using feedback
Risk taking

4. Legal aspects involved with credit

- The consumer's responsibility in a credit transaction is to pay for the purchase as the terms indicate. Find out what the business owner's legal obligations are in regard to the denial of credit, the credit contract and the collection of delinquent accounts.

5. Collection of delinquent accounts

- Imagine yourself as the owner of a small business. List the consequences to your business of customers falling behind in credit payments.

Reality perception

or

- Talk to a business owner about the consequences to the business of late credit payment.
- Survey business owners to find out how they handle delinquent accounts. How well do their methods work? In the light of your findings develop your own policy for dealing with delinquent accounts for a particular business. Include ways of dealing with good customers who are temporarily unable to pay. Give reasons for your decisions.

Planning
Innovation

Decision making
Human relations
Risk taking

6. Informing credit applicants that they have been denied credit

- If a business is to remain profitable, it cannot extend credit to all of its customers. But, it is illegal to deny credit on the grounds of race, age, sex or marital status. Investigate more of the business owner's legal responsibilities under the Equal Credit Opportunity Act.

Inner control
Using feedback

Human relations
Decision making
Innovation

- The business does not want to lose poor credit risks as cash customers. Think up the best manner in which to inform credit applicants that they have been denied credit without damaging the goodwill of the business within the community.

ISSUES FOR INVESTIGATION

Deciding Whether to get involved in Credit

- What does credit mean to the small business owner?
- How can you tell whether it is practical to offer consumer credit?
- What are the advantages and disadvantages of extending credit?
- How expensive is it for a merchant to carry installment purchases?

Types of Credit

- What kinds of consumer credit are offered to borrowers?
- What are the advantages and disadvantages of each, to the businessman? To the consumer?
- How do credit cards affect the small business owner?
- What are the advantages and disadvantages to the business of selling customers' credit contracts to a bank or finance company?

Who should be extended credit?

- What are the steps involved in granting credit?
- What are the four C's of credit?
- Why are they important in evaluating a "credit risk"?
- Where can you get background information about credit applicants?
- How can business owners handle denying credit to poor-risk applicants so as to retain them as cash customers?

Debt Collection

- What problems for the business are involved in overdue accounts?
- What problems are involved in debt collection?
- How can an entrepreneur go about avoiding bad debts?
- How are overdue accounts handled? What steps are taken?

Legal Aspects

- What are the consumers' responsibilities regarding credit?
- What are the business owner's legal responsibilities regarding denial of credit? Regarding the credit contract? Regarding the collection of overdue accounts?
- What are the penalties for failing to comply with the government regulations regarding credit?

STUDENT PROJECT PLAN

(Cover Sheet)

Section 1: To be completed at the planning stage.

Student's Name:

Project Title or Theme: *Credit and Collection - Deciding whether
to get involved in credit*

What issues do you wish to investigate? (Put in question form.)

1. *What is credit?*
2. *What are the advantages and disadvantages of extending credit?*
3. *How much does it cost a business to carry installment purchases?*

Time Element. Starting Date:

Planned Completion Date:

Section 2: To be completed at the end of the project.

Summary of Completed Project

How many entrepreneurial skills did you apply?

How many resource persons did you work with?

What other types of resources did you use?

Planned time for completion of project:

Actual time taken to complete project:

What have you gained from completing this project?

Issue: *What is credit?*

Target date for completing activities:

What activities have you planned to address this issue?

1. Find out from written sources what is meant by credit and what types exist.
2. Interview two business owners who offer credit to find out what impact credit has on the business.

Identify resource people who will be of help.

Name(s):

business owners

Identify other resources and readings.

(Give titles, authors and subject matter.)

*Macfarlane, W.N. Principles of Small Business Management Chapter 15.
McGraw-Hill, N.Y. 1977.*

Describe how you will present your findings.

A written report defining credit and summarizing business owners' views of the impact of credit.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control	✓	<i>Being knowledgeable about credit decreases the likelihood of being controlled financially by chance and by other people.</i>
Innovation		
Decision Making		
Human Relations		
Planning & Goal Setting	✓	<i>Planning and organizing the overall project.</i>
Reality Perception		
Using Feedback		
Risk Taking		

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Issue: *What are the advantages and disadvantages of extending credit?*

Target date for completing activities:

What activities have you planned to address this issue?

1. Find out from written sources about the advantages and disadvantages of extending credit.
2. Talk to a business owner who extends credit and another who does not. Why or why not?
3. Apply the advantages and the disadvantages to the business that interests me.

Identify resource people who will be of help.

Name(s):

Two business owners

Identify other resources and readings.

(Give titles, authors and subject matter.)

*Lassie, J.K. How to Run a Small Business, Chapter 15
McGraw-Hill N.Y. 1974.*

Describe how you will present your findings.

a verbal presentation to the class for critique, and a written summary, explaining the advantages and disadvantages of extending credit, using the business that interests me as an illustration. I will include a tentative decision on whether to

Which entrepreneurial skills will you emphasize? *offer credit or not.*

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making	✓	<i>Collecting information about the advantages and disadvantages and making a tentative decision</i>
Human Relations		
Planning & Goal Setting		
Reality Perception		
Using Feedback		
Risk Taking	✓	<i>Taking a position on the basis of limited information and defending it in class.</i>

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Issue: *What does it cost a business to carry installment purchases?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *Contact two business owners who offer installment credit and discuss with them how much of their assets are tied up in it.*
2. *Find out from written sources how to calculate the amount of assets tied up in installment purchases.*
3. *Calculate how expensive it might be to carry installment purchases in the business which interests me.*

Name(s):

Two business owners

Identify other resources and readings.

(Give titles, authors and subject matter.)

*macfarlane, W.N. Principles of Small Business Management
chapter 15. McGraw-Hill, N.Y. 1977*

Describe how you will present your findings.

A chart showing the possible cost of carrying installment purchases for a business that interests me.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making		
Human Relations	✓	<i>Being able to relate to business owners about the finances of their businesses.</i>
Planning & Goal Setting		
Reality Perception		
Using Feedback	✓	<i>Using what I learn and applying it to the business that interests me.</i>
Risk Taking		

Page 5 of 7PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name:	Address:	Phone:	Appointment: (Date/Time)
<u>Business owner who does</u>			
<u>not offer credit</u>			

Issue(s) to be investigated:

what are the advantages and disadvantages of extending credit

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:	Comments:
<u>What do you see as the advantages and disadvantages of extending credit?</u>	
<u>Why do you not extend credit?</u>	
<u>Do businesses similar to yours extend credit?</u>	
<u>Are there any circumstances that would make you decide to offer credit?</u>	

(List entrepreneurial skills to be applied. Keep these in mind.)

Decision making, Risk Taking

Overall comments, after interview:

Page 6 of 7PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name:	Address:	Phone:	Appointment: (Date/Time)
<u>Two business owners</u>			
<u>who do offer credit</u>			

Issue(s) to be investigated:

What is credit?
What are the advantages and disadvantages of extending credit?
How much does it cost a business to carry installment purchases?

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:	Comments:
<u>Why do you offer credit? What type?</u>	
<u>What does the use of credit mean to you?</u>	
<u>What difference do you think it has made to your business?</u>	
<u>What are the credit policies of other businesses similar to yours?</u>	
<u>What do you see as the disadvantages of offering credit?</u>	
<u>Do credit customers buy more?</u>	
<u>Can you explain to me how your credit system works?</u>	
<u>What proportion of your assets are tied up?</u>	
<u>How is this calculated?</u>	

(List entrepreneurial skills to be applied. Keep these in mind.)

Human relations; using feedback; inner control.

Overall Comments, after interview:

Page 7 of 7SELF EVALUATION ON COMPLETION OF PROJECT

Project Title or Theme: Credit and Collection - Deciding whether to get involved.

What entrepreneurial skills did you apply?

How well do you feel you applied these skills? Explain.

What did you learn that would help you apply these skills to your greater satisfaction?

What entrepreneurial skills did you observe being used?

What have you learned that will help you fulfill your career goals?

**Advertising
and
Sales Promotion**

SUGGESTED PROJECT ACTIVITIES

1. Reasons for Advertising

Decision making

- Investigate the reasons for a business to advertise from both the business owner's and the customer's point of view. Summarize the pros and cons of advertising.

or

Using feedback
Reality perception

- Ask a person involved in advertising to list the reasons for a business to advertise. Include your own opinions of these reasons.

2. Establishing the Target Audience for Advertising

Decision making

- Consider the small business that interests you. At what group should its advertising be aimed? What geographical area should be covered by the advertising?

or

Human relations
Using feedback

- Talk to the owner of a small business. Find out what groups the owner considers are customers. Is the business's advertising aimed at these groups? From what geographical area do the customers come? Does the advertising cover that area?

3. Preparing an Advertisement

- Advertisements should motivate consumers to buy a particular product or service. In general, an ad contains an introduction to attract attention; the body which gives details about the product or service and creates interest or desire; the closing, that calls for action and motivates the customer to buy.

Reality perception

- Talk to a person involved in advertising to find out an advertiser's legal responsibilities.

Decision making

- List the qualities you see as important in a good advertisement.

**Using feedback
Decision making**

- Collect several advertisements from newspapers or magazines. Evaluate each in relation to your list of important qualities. Suggest how they might be improved.

or

**Using feedback
Decision making**

- Make tapes of several radio or television advertisements for local businesses. Evaluate them in relation to your list of important qualities. Suggest how they might be improved.

**Innovation
Decision making
Risk taking**

- Prepare an ad for the business that interests you, using your list of important qualities as a guide. Include an introduction, the body, and a closing.

4. Choosing the Media

- List the various media that can be used for advertising. Think up as many as you can. Suggest advantages and disadvantages of each.

Decision making

- List various groups of potential customers (e.g., teenagers, fathers, etc.). For each group, suggest which media would be most effective.

**Planning
Decision making
Using feedback
Risk taking**

- The goal of advertising is to reach the most potential customers within the market for the lowest cost. Keeping this goal in mind, suggest suitable media. Find out the actual costs for advertising in your community. Decide how you would advertise your business.

- Ask several business owners how they decided on the best method for advertising. Find out what risks they consider were involved when they made advertising decisions.

5. The Amount to Spend on Advertising

Risk taking
Planning
Risk taking
Using feedback

- Survey business owners to find out how they decide how much to spend in advertising. Do they have a plan? How do they evaluate the effects of the advertising? Summarize your findings and make your own comments.

Planning
Inner control
Decision making
Reality perception

- Using what you have learned from the above survey, develop an advertising budget for the business that interests you.

6. Other Sales Promotions

Using feedback
Decision making

- Investigate other means of promoting business besides advertising.

Innovation
Planning

- Choose one or two promotional ideas that you feel would work for the business that interests you and develop them, giving concrete suggestions for implementing them.

ISSUES FOR INVESTIGATION

Should you Advertise?

- What is the function of advertising?
- How does advertising "make" customers for the business?
- How much should you spend on advertising?
- How can you tell if your advertising is getting results?

Establishing the Target Audience

- What group makes up your market? (age, income, size, geographic location)
- What area should advertising cover so that sales will result?

Choosing the Media

- What ways are there of advertising your business?
- Is one method or a combination of methods the best way?
- How can you assess which method you use produces the most results?
- What is a suitable amount for a firm to spend on its advertising program?
- How does this affect the choice of media?
- How is the choice of media affected by the target audience you want to reach?

Planning the Ad

- Who can give you help with planning attractive advertisements?
- Can advertising agencies be used effectively?
- How can you choose a reliable one?
- What basic things should an advertisement tell people about you?
- What are the ingredients of a good advertisement?
- What legislation covers advertising?

Other Forms of Sales Promotion

- What is sales promotion?
- How does it differ from advertising?
- What are some forms of sales promotion?

STUDENT PROJECT PLAN

(Cover Sheet)

Section 1: To be completed at the planning stage.

Student's Name:

Project Title or Theme: *Advertising and Sales Promotion -
The Decision to Advertise*

What issues do you wish to investigate? (Put in question form.)

1. *Why advertise?*
2. *How much does it cost to advertise?*
3. *What advertising media are most appropriate for my business?*

Time Element. Starting Date:

Planned Completion Date:

Section 2: To be completed at the end of the project.

Summary of Completed Project

How many entrepreneurial skills did you apply?

How many resource persons did you work with?

What other types of resources did you use?

Planned time for completion of project:

Actual time taken to complete project:

What have you gained from completing this project?

Issue: *Why advertise?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *Interview two business owners about why they do or do not advertise.*
2. *Interview a representative of an advertising agency or department.*

Identify resource people who will be of help.

Name(s):

*Two business owners
Advertising representative*

Identify other resources and readings.

(Give titles, authors and subject matter.)

Principles of Small Business Management, Macfarlane, ch 19

Small Business Administration Starting and Managing Series

Describe how you will present your findings.

Summarize the function of advertising for the business that interests me.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making		
Human Relations		
Planning & Goal Setting	✓	<i>Planning visits to resource people.</i>
Reality Perception		
Using Feedback	✓	<i>Using the information gained and relating it to my business.</i>
Risk Taking		

Issue: *How much does it cost to advertise?*

Target date for completing activities:

What activities have you planned to address this issue?

Ask an advertising specialist about the costs of using different advertising media.

Identify resource people who will be of help.

Name(s):

Advertising specialist

Identify other resources and readings.

(Give titles, authors and subject matter.)

Obtain rates from the publishers of telephone yellow pages, newspaper, radio, T.V.

Describe how you will present your findings.

A chart comparing the costs of using different advertising media.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making		
Human Relations	✓	<i>Talking to the advertising specialist and obtaining needed information.</i>
Planning & Goal Setting		
Reality Perception	✓	<i>Checking my preconceived ideas about the costs of advertising with information obtained.</i>
Using Feedback		
Risk Taking		

Page 4 of 7

Issue: *What advertising media are most appropriate for my business?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *Combine information from first two activities to select media most appropriate to my type of business.*
2. *Collected examples of innovative advertising and then create my own.*

Identify resource people who will be of help.

Name(s):

Identify other resources and readings.

(Give titles, authors and subject matter.)

Radio, newspaper, T.V., magazines, billboards.

Describe how you will present your findings.

*Summarize my decision and reasons for my choice.
Creation of my own ad.*

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation	✓	<i>Creating my own ad.</i>
Decision Making	✓	<i>Selecting the most appropriate types of media.</i>
Human Relations		
Planning & Goal Setting		
Reality Perception		
Using Feedback		
Risk Taking	✓	<i>Comparing costs to benefits of media.</i>

Page 5 of 7PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name:

Address:

Phone:

Appointment:
(Date/Time)

Two business owners

Issue(s) to be investigated:

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:

Comments:

Do you advertise? Why? What media do you use? What effects do advertising have on your business? What kinds of people are you trying to reach with your advertising? How does this affect your choice of media? Do you think it is more effective to advertise regularly, seasonally, or for special events only?

(List entrepreneurial skills to be applied. Keep these in mind.)

Using feedback, reality perception

Overall comments, after interview:

PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name: _____ Address: _____ Phone: _____ Appointment: _____
(Date/Time)

Advertising specialist

Issue(s) to be investigated:

Why advertise?

How much does it cost to advertise?

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:

Comments:

Why do businesses advertise? What kinds of advertising are available? How does the type of business affect the choice of media? What do you think is the best approach to advertising - continuous, seasonal, or for special events only? What advertising program would you recommend for my business? How much do different media cost? What are their benefits?

(List entrepreneurial skills to be applied. Keep these in mind.)

Human relations, using feedback, reality perception

Overall comments, after interview:

Page 7 of 7SELF EVALUATION ON COMPLETION OF PROJECT

Project Title or Theme: *Advertising & Sales Promotion -
The Decision To Advertise*

What entrepreneurial skills did you apply?

How well do you feel you applied these skills? Explain.

What did you learn that would help you apply these skills to your greater satisfaction?

What entrepreneurial skills did you observe being used?

What have you learned that will help you fulfill your career goals?

**Employee
and
Community
Relations**

SUGGESTED PROJECT ACTIVITIES

1. The Importance of Employee Relations

Human relations

Using feedback

Human relations

Using feedback.

Reality perception

Inner control

Planning

- Many studies show that employee relations are of prime importance to the success or failure of a business. Investigate why this is so. Talk to employers and employees to find out if they think employer-employee relations are important, and why.

- Draw up a list of the leadership and interpersonal characteristics you feel are important for a business owner. (Examples might include self-confidence and intelligence.) Discuss this list with some employees and some employers, and decide which five characteristics are most important. Of those five, check the ones you think you possess. Find out from at least two people whom you can trust to be honest with you the extent to which they think you possess these qualities. For any of the five you do not feel you possess, decide if you can develop them and plan how you will set about doing so.

2. Making Employees Feel an Integral Part of the Business

Human relations

Using feedback
Risk taking
Decision making

- What factors do you feel are important to group morale among employees? List them in order of importance. Compare your list with what employees think.
- Talk to business owners about the risks of involving employees in the business and of excluding them. Decide how far you would involve employees in your own business.

Human relations

- Imagine you are the owner of a small business. Draw up guidelines that you will use in making your employees feel an integral part of the business. This can be accomplished by showing them that the success of the business depends on them and the future of the business is closely related to their future.

Reality perception

Innovation
Decision making

- Survey business owners to find out what kinds of personal problems concern them. Find out how these problems are handled and comment on your findings. Add you own solutions where you see fit.

3. Community Relations - The "image" of a business

Reality perception

- Compile a list of businesses which provide the same types of goods or services. Ask at least five people to summarize their impressions of the "image" of each of the businesses listed. Ask them to explain briefly how they developed a particular impression.

Using feedback

Planning

- From the survey above, develop a list of guidelines which might help a business of that type project a favorable image.

Using feedback

- Describe two or more businesses in the community which provide similar goods and/or services, yet project different images. (For example, a discount clothing store and an exclusive clothing store.) Compare the advantages and disadvantages of each.

Inner control
Planning
Decision making
Human relations

- Write a summary of the image you would like to project in a particular business. Include such considerations as convenience, variety of selection, price, quality, attitude of employees, reputation, services offered, and atmosphere. Write a brief description of the type of customer you will attract through this image.

Innovation Planning

- Develop a strategy to project a particular image to the public. You may wish to include appearance of the business, training of employees, advertising, atmosphere, etc.

Risk taking

- Summarize your views of the risk business owners take by projecting one image rather than another. How can this risk be minimized?

4. The importance of community relations

Human relations

- Ask at least 2 business owners to explain how they would define community relations, and what they do to establish good community relations.

Using feedback

Reality perception

- Develop a list of community activities or organizations in which business people might participate in order to establish good community relations. Find out how at least one of these activities or organizations benefits the community. Describe an example from real life.

Decision making

- Find a newspaper or magazine story about a business owner who has initiated good community relations. What do you think made the owner decide to do this? Was any risk to the business involved? Do you feel the project was a good idea?

Risk taking

Innovation

ISSUES FOR INVESTIGATION

The Importance of Employee Relations

- Why are good employee relations important to the success or failure of a business?
- What can be done to foster good employee relations?
- What leadership and interpersonal characteristics are important for a business owner?

Communications in Employee Relations

- To what extent are communications important to good employer-employee relations?
- What are some of the barriers to good communications between employer and employees?
- What are the best ways of communicating with employees?
- What are the characteristics of an effective grievance procedure?

Employment

- How are employees selected?
- How are new employees introduced into the business?
- What legislation affects employment?

Delegation

- What is delegation?
- What does it mean for the business owner?

- What does it mean for the employees?
- How can delegation be carried out effectively?

The "Image" of the Business

- Why is it important for a business to build good community relations?
- What internal situations in a firm might generate illwill in the community?
- How could this be avoided?
- What different images might a business want to project?
- What risks are involved in projecting one image rather than another?

Participating and Contributing

- What ways are there of participating in community affairs?
- What ways are there of making contributions to the community?
- How can communications help in community relations?

STUDENT PROJECT PLAN

(Cover Sheet)

Section 1: To be completed at the planning stage.

Student's Name:

Project Title or Theme: *Employee and Community Relations - Good Employee Relations*

What issues do you wish to investigate? (Put in question form.)

1. *How can new employees introduced into a business?*
2. *What are some common problems involving employer-employee relations?*
3. *How can good employer-employee relations be maintained?*

Time Element. Starting Date:

Planned Completion Date:

Section 2: To be completed at the end of the project.

Summary of Completed Project

How many entrepreneurial skills did you apply?

How many resource persons did you work with?

What other types of resources did you use?

Planned time for completion of project:

Actual time taken to complete project:

What have you gained from completing this project?

Page 2 of 7

Issue: *How are new employees introduced into a business?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *Ask at least three friends to share their experiences of being introduced into new jobs.*
2. *Develop a policy for introducing new employees into a business which interests me.*

Identify resource people who will be of help.

Name(s):

Identify other resources and readings.

(Give titles, authors and subject matter.)

macfarlane, W.N. Principles of Small Business Management, Chapter 20
McGraw-Hill, N.Y. 1977

Describe how you will present your findings.

a policy statement described in 2. above, which considers both the needs of the business and individual employees.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control	✓	<i>Having a policy for new employees helps me take responsibility for the success of new employees, not just hope things work out.</i>
Innovation	✓	
Decision Making		<i>Developing my own policy for introducing new employees</i>
Human Relations		
Planning & Goal Setting		
Reality Perception		
Using Feedback		
Risk Taking		

Page 3 of 7Issue: *What are some common problems involving employer-employee relations?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *Ask a business owner what problems he or she has involving employer-employee relations.*
2. *Ask three friends what problems they have experienced involving employer-employee relations.*

Identify resource people who will be of help.

Name(s):

*Business owner**three friends*

Identify other resources and readings.

(Give titles, authors and subject matter.)

Describe how you will present your findings.

A summary of the problems as seen by employers and employees.
Conclusions drawn by comparing the two points of view.

Which entrepreneurial skills will you emphasize?

Skill

Check below

How will it be used?

Inner Control

Innovation

Decision Making

Human Relations

Planning & Goal
Setting

Reality Perception

✓

*Looking at both sides of
an issue to gain a
realistic perspective*

Using Feedback

Risk Taking

Page 4 of 7Issue: *How can good employer-employee relations be involved?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *Use the information from the second issue to develop a plan for preventing problems and promoting positive employer-employee relations.*
2. *Ask a business owner and/or class members to critique my plan and revise if needed in light of this critique.*

Identify resource people who will be of help.

Name(s):

Business owner

Identify other resources and readings.

(Give titles, authors and subject matter.)

Describe how you will present your findings.

*a written and oral plan for maintaining good employer-employee relations.*Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making	✓	<i>Deciding on a plan after examining the issues</i>
Human Relations		
Planning & Goal Setting		
Reality Perception		
Using Feedback		
Risk Taking	✓	<i>committing myself to a position which may be criticized by others</i>

Page 5 of 7PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name:

Address:

Phone:

Appointment:
(Date/Time)Three friends

Issue(s) to be investigated:

1. *How are new employees introduced into a business?*
2. *What are some common problems involving employer-employee relations?*

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:

Comments:

How have you been introduced to your new job?
Did you have a job description?
How helpful did you find your introduction?
How could it have been improved?
What problems have you had with employers?
Do you know of problems others have had?
How do you think these problems could have been prevented?
What kinds of things did your employees do to
maintain good employer-employee relations?
What do you wish had been done.

(List entrepreneurial skills to be applied. Keep these in mind.)

inner control, innovation, reality perception

Overall comments, after interview:

Page 6 of 7PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name:	Address:	Phone:	Appointment: (Date/Time)
<u>Business owner</u>			

Issue(s) to be investigated:

What are some common problems involving employee-employee relations?

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:	Comments:
<i>What do you see as the biggest problems that business owners face with employee relations?</i>	
<i>Would you be willing to share some of the problems with me, involving employee relations?</i>	
<i>How did you solve the problems?</i>	
<i>Do you think these problems can be prevented?</i>	

(List entrepreneurial skills to be applied. Keep these in mind.)

Reality perception

Overall comments, after interview:

Page 1 of 7SELF EVALUATION ON COMPLETION OF PROJECT

Project Title or Theme: Employee and Community Relations -
- Good Employee Relations

What entrepreneurial skills did you apply?

How well do you feel you applied these skills? Explain.

What did you learn that would help you apply these skills to your greater satisfaction?

What entrepreneurial skills did you observe being used?

What have you learned that will help you fulfill your career goals?

Insurance

SUGGESTED PROJECT ACTIVITIES

1. Is insurance really necessary?

Reality perception
Using feedback

- Find out from books whether insurance is necessary for a small business. Summarize what you learn.
- Talk to an insurance agent to find out the insurance company's views on the importance of insurance to a business.

Human relations
Risk taking

- Ask several small business owners for their opinions of the importance of insurance to their businesses. Find out what risks they face, and discuss whether insurance reduces those risks.
- Investigate from books what other ways there are of dealing with risks besides buying insurance.
- Find out from business owners whether they use any of these other ways of dealing with risks. Do they feel they are effective? Why?

2. What kinds of Insurance Protection are Available?

Using feedback
Human relations

- Find out from books what types of insurance are necessary for a business and what they cover.

or

- Discuss with an insurance agent what types of insurance are necessary for a business and what they cover.

Inner control

- Talk to business owners about the insurance they carry on their businesses. Find out why they carry certain types of insurance.

Decision making
Risk taking
Using feedback

- After finding out as much as possible about the types of insurance available, decide how you would insure your own business and write a brief report on your decision.

3. Costs and Conditions of Insurance

Reality perception

- Investigate how the rates for fire insurance are determined.

Innovation
Inner control

- Use this information to draw up a plan for reducing the cost of adequate insurance coverage.

Human relations
Using feedback

- Discuss your plan with several business owners and get their feedback on how it would work for their business. Improve your plan if possible.

ISSUES FOR INVESTIGATION

Is Insurance Necessary?

- How does insurance reduce the risks faced by a business?
- Are there some situations where insurance is impractical?
- Are there other ways of dealing with risks besides buying insurance?

What Types of Insurance Protection Are Available?

- What kinds of insurance are essential for a business?
- What perils are covered and excluded in the standard fire insurance policies?
- Can you get business insurance coverage for riots and civil commotion?
- If a customer falls and is injured in your store, are you liable for damages?
- What limitations are imposed on payments for liability policies?
- What kinds of insurance are available for the vehicles used in a business?
- What insurance do you need to cover your employees?
- How can business owners protect themselves against theft and embezzlement?
- Can you get insurance against crimes such as burglary and robbery?
- How can you be sure all major risks are covered by insurance?
- What other kinds of insurance are available?

Costs and Conditions of Insurance

- Can you insure a building for more than it is worth?
- Can you buy two policies to insure a loss and collect on both?
- What happens if you make inaccurate statements on your application for insurance?
- Under what circumstances can an insurance policy be cancelled by the insurer?
- What purpose is served by deductibles on an insurance policy?
- How are the rates for fire insurance determined?
- What are some of the ways of reducing the cost of adequate insurance coverage?

STUDENT PROJECT PLAN

(Cover Sheet)

Section 1: To be completed at the planning stage.

Student's Name:

Project Title or Theme: *Insurance - Is it really necessary?*

What issues do you wish to investigate? (Put in question form.)

1. *What risks do business owners face?*
 2. *How does insurance reduce risks?*
 3. *What other ways are there of dealing with risks, and how effective are they?*
-

Time Element. Starting Date:

Planned Completion Date:

Section 2: To be completed at the end of the project.

Summary of Completed Project

How many entrepreneurial skills did you apply?

How many resource persons did you work with?

What other types of resources did you use?

Planned time for completion of project:

Actual time taken to complete project:

What have you gained from completing this project?

Issue: *What risks do business owners face?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *Talk to a business owner to find out what risks are involved in that particular business.*
2. *Find out about business risks from an insurance agent.*

Identify resource people who will be of help.

Name(s):

Business owner

Insurance agent

Identify other resources and readings.

(Give titles, authors and subject matter.)

Successful Small Business Management, Late, ch 23

Describe how you will present your findings.

Summary of the risks I may face in my business including a comparison of views of insurance agent, business owner and reading materials.

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making		
Human Relations		
Planning & Goal Setting	✓	<i>Planning ahead for how I will handle risks in my business.</i>
Reality Perception		
Using Feedback	✓	<i>Applying what I have learned to the business which interests me.</i>
Risk Taking		

Issue: *How does insurance risks?*

Target date for completing activities:

What activities have you planned to address this issue?

1. *Reading*
 2. *Find out from an insurance agent how insurance reduces risks. Also what risks can and cannot be insured*
- Identify resource people who will be of help.

Name(s):

Insurance agent

Identify other resources and readings.

(Give titles, authors and subject matter.)

*Insurance and Risk Management for Small Business,
Small Business Management*

Describe how you will present your findings.

*Application of my findings to a business which
interests me in a report to class.*

Which entrepreneurial skills will you emphasize?

Skill	Check below	How will it be used?
Inner Control		
Innovation		
Decision Making	✓	<i>collecting information about risks and insurance that can be used later to make decisions for my business.</i>
Human Relations		
Planning & Goal Setting		
Reality Perception	✓	
Using Feedback		<i>Checking my understanding of how insurance works and how effective it is in reducing risks.</i>
Risk Taking		

Page 4 of 7

Issue: *What other ways are there of dealing with risks, and how effective are they?*

Target date for completing activities:

What activities have you planned to address this issue?

- 1. Readings about alternatives to insurance*
 - 2. Talk to two business owners about risks that are not covered by insurance and what they do*
- Identify resource people who will be of help. *about them.*

Name(s):

Two business owners

Identify other resources and readings.

(Give titles, authors and subject matter.)

Small Business Management Fundamentals, Steinhoff, ch. 14

Describe how you will present your findings.

Using my summary of the risks I will face in my business, I will decide how I think I will handle each and report my decisions to the class for which entrepreneurial skills will you emphasize? discussion

Skill	Check below	How will it be used?
Inner Control	✓	<i>Making up my own mind about how to reduce risks after consulting a number of sources.</i>
Innovation		
Decision Making		
Human Relations		<i>Planning ahead for how I will handle risks in my business.</i>
Planning & Goal Setting	✓	
Reality Perception		
Using Feedback		<i>Deciding which things to insure and how to handle others.</i>
Risk Taking	✓	

PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name:

Address:

Phone:

Appointment:
(Date/Time)Two business owners

Issue(s) to be investigated:

1. *What risks do business owners face?*
 2. *What ways other than insurance are there of dealing with risks, and how effective are they?*
- Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:

Comments:

What are some of the risks business owners generally have to face? Do you have any particular ones in your business? What risks have to be insured by law? Do you have insurance against anything else? How do you decide what to insure?

What about uninsured risks - can you do anything about them? What would you do if any of any of those things happened?

(List entrepreneurial skills to be applied. Keep these in mind.)

Human relations, using feedback, decision making.

Overall comments, after interview:

Page 6 of 7PLAN YOUR VISIT TO RESOURCE PERSON (R.P.)

(This is an opportunity to practice human relations ability and other entrepreneurial skills.)

R.P.'s Name:

Address:

Phone:

Appointment:
(Date/Time)Insurance Agent

Issue(s) to be investigated:

What risks do business owners face?How does insurance reduce risks?

Identify, in advance, the topics you wish to discuss with the resource person. List some questions that you will ask.

Questions:

Comments:

What kinds of risks are common to most businesses? What risks are peculiar to the business which interests me? Is a business legally required to carry insurance? What kinds? What other risks can be insured?

How does insurance reduce risks? How can a business owner decide what insurance is needed?

(List entrepreneurial skills to be applied. Keep these in mind.)

Reality perception, decision making

Overall comments, after interview:

Page 7 of 7SELF EVALUATION ON COMPLETION OF PROJECT

Project Title or Theme: Insurance - Is it really necessary?

What entrepreneurial skills did you apply?

How well do you feel you applied these skills? Explain.

What did you learn that would help you apply these skills to your greater satisfaction?

What entrepreneurial skills did you observe being used?

What have you learned that will help you fulfill your career goals?

Developing and Maintaining Community Resources

Community-based learning benefits students, instructors, and the community used as resources. By having students observe what is happening in the community, instructors receive feedback about what is occurring in the business world. This feedback provides additional information to aid instructors in making classroom activities compatible with real life situations in the business community. The persons selected as community resources are able to help others by sharing their expertise. In working with students, resource people have an opportunity to build goodwill for their businesses and for the business community. The interaction of students and community resource persons strengthens relations between the school and the community.

The benefits for the instructor and the resource person are important; however, the benefits for the student are the central focus. The main purpose of using resource persons is to give students an opportunity to observe and practice entrepreneurial skills. Discussing their projects with business owners also provides students with a realistic base on which to develop their own ideas, and gain from the experience and knowledge of the business owners. Students should be encouraged to observe and obtain as much information as possible from the resource person. However, recognizing and practicing the entrepreneurial skills should be a major focus for students when planning and completing projects.

The instructor's role is to contact people and compile a list of those willing to be involved as community resources. It is the student's responsibility to arrange times for meeting with these community resource people. A maximum of two visits of an hour duration each should enable students to complete their projects. Students may be encouraged, however, to develop working relationships with individual

business owners who may be willing to spend longer periods of time with students.

CONTACTING RESOURCE PERSONS

Where to Begin: One way to compile a list of potential community resource persons is to check the yellow pages of the telephone directory for a listing of local businesses. Organizations such as the Chamber of Commerce should also be contacted, and the program explained to them. Such organizations may help in involving their members in the program. When looking for leads, do not overlook contacts already made by your college through work-experience and other programs. Students may also prove a fruitful source of contacts. They may be able to provide the names of business owners who are willing to volunteer their services.

Making the Initial Contact: Initial contact may be made in several ways--by telephone, by letter, through another person, or by personal contact. An example of an introductory letter and recruitment form is provided. (Appendices A and B)

Using the telephone to contact people is a more direct approach and you are able to get immediate feedback. However, calling contacts individually can become very time consuming. Many times the Chamber of Commerce, members of professional organizations, or friends who are familiar with potential resources are willing to act as the "middle agent" to promote the idea of entrepreneurship education to others.

Contacting resources in person is probably the most time consuming but also the most effective way to handle setting up learning sites. Of course, there is no reason why you must stay with one method of making the initial contact. Use whichever method suits the circumstances. If you do not make the initial contact in person, it is recommended that you meet at some time with the resource person to explain the program thoroughly and set up lines of communication.

A brochure explaining the role of the resource person should be sent to those business owners who have indicated willingness to participate. The brochure should give an outline of the entrepreneurship education course, and describe the nature of their involvement. A sample brochure is provided. (See Appendix C)

SELECTING RESOURCE PERSONS

Project themes and students' interests should be considered when selecting resource persons. Initially, resource persons are selected on the basis of their ability to help students explore the project themes in the areas listed previously.

Later, as the course progresses, you will become familiar with specific areas of student interest. Additional resource persons can be recruited on the basis of these interests.

When determining how many community sites to recruit, care should be taken to avoid recruiting too many or too few sites. You should have resources that are representative of all project areas. It is helpful to determine which topics the students are interested in as soon as possible. Once the students begin selecting learning sites to visit, it may be necessary to continue recruiting in areas where the most interest is shown. A large number and variety of sites should be available so students have the opportunity to choose. Having enough sites so students are able to visit more than one site is also suggested. If community sites that have been recruited are not used, a follow-up letter should be sent to those who were willing to cooperate, so that they may be kept interested for future use. When the students have completed their activities, they should write thank-you letters to all resource persons they contacted. At the end of the course, the instructor also is recommended to thank each resource person. This can create goodwill between the college and the community. It will also help the maintenance of an active resource person list. Appendices D.1 and D.2 show a suggested format of letters of thanks.

Location of Learning Sites: Learning sites, i.e., business owners' premises, should ideally be conveniently located for the student. However, sites should not be eliminated solely on the basis of location. Some students may be willing to drive or make arrangements to visit a distant learning site because they feel a certain site will be more beneficial despite the hardship of getting to it. Community resource people at "hard to reach places" may also be willing to meet the student at a mutually agreed upon place rather than at the business itself. Generally, this arrangement is not as advantageous for learning, but not allowing this option could cause some outstanding community resource people to be overlooked.

MAINTAINING A RECORD OF RESOURCE PERSONS

While organizing a list of resource persons, it is recommended to start a card file. The cards should contain pertinent information about the suitability of each site. When determining suitability, you should consider such things as: students' interests, location of the firm/person, reputation of the firm/person, and the interest of the resource person in participating in the program. Therefore, the resource card may include some or all of the following: name and location of the firm/person, type of firm, products and/or services offered, areas of expertise of the business owner and how these areas relate to project areas. This information should be obtained and recorded on the cards before student visitations begin. (See Appendix E for suggested format for resource person's file card.)

Appendices

- A. Resource Person Introductory Letter
- B. Resource Person Recruitment Form
- C. Community Resource Person's Guide
- D.1 Letter of Thanks to Resource Person
(who was called on by student)
- D.2 Letter of Thanks to Resource Person
(who was not called on by student)
- E. Resource Person File Card

APPENDIX A: RESOURCE PERSON INTRODUCTORY LETTER

Further to our recent phone conversation, I enclose a brochure explaining the entrepreneurship education program. If you have any questions, please feel free to call me and I will be glad to discuss the program with you.

In order to match student projects with your areas of interest, kindly complete and return the enclosed recruitment form in the stamped addressed envelope. A student will call you within the next few weeks to set up an appointment at a time and place convenient to you.

I would like to take this opportunity to thank you once again for your willingness to participate in the program.

Every good wish.

Sincerely,

APPENDIX B: RESOURCE PERSON RECRUITMENT FORM

Entrepreneurship Education Course

RECRUITMENT FORM

Please check one or more of the following options if you would like to help the college provide education for self-employment. Return this sheet in the enclosed envelope. Program staff will then contact you.

I would like to meet* with a student and discuss the student's interests in:

- ☐ Determining Product and Market
- ☐ Selecting a Location
- ☐ Obtaining Initial Capital
- ☐ Choosing a Legal form of Organization
- ☐ Recordkeeping
- ☐ Credit and Collection
- ☐ Advertising and Sales Promotion
- ☐ Employee and Community Relations
- ☐ Insurance

NAME: _____

BUSINESS: _____

ADDRESS: _____

PHONE: _____

* Time arranged at your convenience.

Entrepreneurship
EducationTHE ROLE OF THE RESOURCE PERSON

As a community resource person, you are asked to meet for an hour or two with a student who is interested in business ownership and management. We hope the voluntary association between you and the student will be mutually beneficial. Its scope, objectives and duration depend on your availability and the needs and interests of the student. The contacts with you and other resource people in the community will provide students with rewarding educational experiences. Before you meet with the students they will have planned a project under the guidance of an instructor. In this way, they will have determined what questions they wish to investigate with you.

COMMUNITY
RESOURCE PERSON'S
GUIDE

In offering to work with the entrepreneurship education program, you have become part of an important new concept in education. Interaction between students and community resource people is an important step toward bridging the gap between classroom instruction and practical experiences in the business world. Community-based learning provides a realistic approach for education and gives students an opportunity to "learn by doing." As a resource person with business know-how and experience, you are the point of contact between the student and the community.

Your cooperation is greatly appreciated.

THE ENTREPRENEURSHIP COURSE

The entrepreneurship course is more than a formal classroom course. In addition to classroom activities, students will also learn by meeting and talking with experienced business owners in the community. This will encourage students to develop realistic attitudes and valuable insights into business ownership and management.

The course consists of two parts. At the first level, certain inter-related skills characteristic of entrepreneurs are introduced--internal control, innovation, decision making, human relations ability, planning and goal setting, reality perception, risk taking and using feedback. Class activities give students an opportunity to try out these skills and receive support and feedback from fellow students and instructor. At the second level, students will apply these skills by planning and completing projects related to different aspects of business. Projects may be carried out in the following areas related to starting and operating a business: Deciding on a Product or Market; Selecting a Location; Obtaining Initial Capital; Choosing a Legal Form of Organization; Advertising and Sales Promotion; Credit and Collection; Employee and Community Relations; Recordkeeping and Insurance. Your advice on any of these topics would be very helpful to students.

APPENDIX D.1: LETTER OF THANKS TO RESOURCE PERSON

I would like to thank you personally for your interest in the entrepreneurship education course which was held during last semester. The students very much appreciated their opportunities to speak with business people such as you about their projects. Your experience gave them valuable insights into business ownership.

The entrepreneurship education course will be offered again next semester. With your permission, I would like to keep your name on file as a resource person.

Every good wish.

Sincerely,

APPENDIX D.2: LETTER OF THANKS TO RESOURCE PERSON

I would like to thank you personally for your interest in the entrepreneurship education course which was held last semester. Even though the selection of projects did not require a student to call on you during the course, your willingness to act as a resource person was a positive indication of your support. Community support from you and other business people is very much appreciated by both students and staff.

The course will be offered again next semester. With your permission, I would like to keep your name on file as a resource person.

Every good wish.

Sincerely,

RESOURCE PERSON'S FILE CARD

TYPE OF BUSINESS: _____

ADDRESS: _____

PHONE: _____

PROJECT AREAS: _____

RECORD OF STUDENT VISITATIONS:

Student	Date	Project Area	Student	Date	Project Area
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Letter of thanks mailed (dates): _____
